

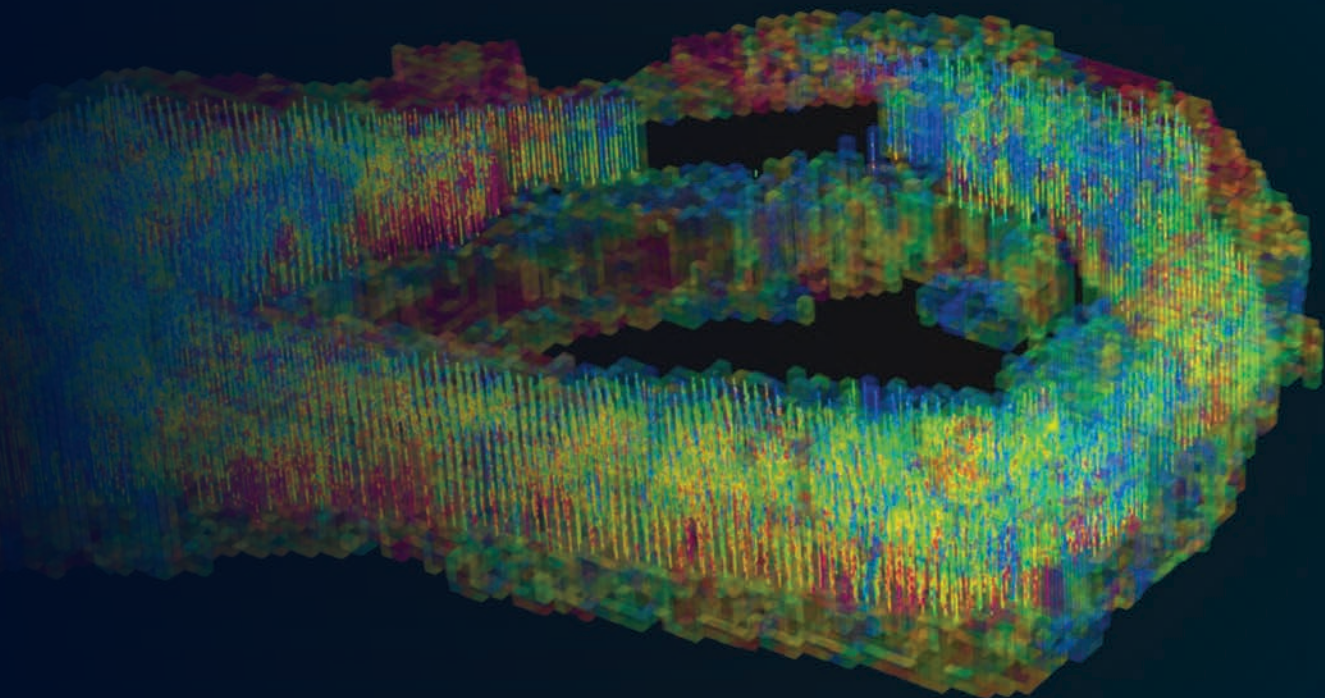
IMDEX™

Annual Report 2023



Our purpose as a leading global mining-tech company is to efficiently and sustainably unlock the earth's value...

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



IMDEX is a leading
mining-tech
company





We believe mining is essential to all aspects of modern life. Our opportunity, indeed our responsibility, is to change the global minerals industry forever.

Why We Deliver

A strong core business with a clear objective to outperform industry growth

Opportunities to strengthen core business via next generation and new technologies and solution selling

New business growth via IMDEX Mining Technologies business and software offering

A strong financial platform with quality revenue and a history of increasing EBITDA margins

Disciplined cost control

Established global presence and customer network

Market leading technologies with unique defensible IP

A commitment to targeted R&D to maintain technical leadership

End-to-end solutions that are applicable across the mining value chain

The ability to make acquisitions or collaborate with industry partners to complement existing product offering

An experienced leadership team and world-class geoscience capabilities

A low carbon footprint and opportunities to enhance the sustainability of operations for customers

About This Report

This Annual Report provides a summary of Imdex Limited's operations, financial performance and sustainability initiatives for the 2023 financial year (FY23) from 1 July 2022 to 30 June 2023.

 Download our FY23 Annual Report and past Reports at www.imdexlimited.com/investors

Our Corporate Governance Statement discloses the extent to which we have complied with the Australian Securities Exchange Corporate Governance Council's 'Corporate Governance Principles & Recommendations – 4th edition'.

 Our Corporate Governance Statement can be found at: www.imdexlimited.com/about-us/corporate-governance

Unless otherwise stated: references to 'IMDEX', the 'Group', the 'Company', 'we', 'us' and 'our' refer to Imdex Limited and its controlled entities; references to a year are to the financial year ended 30 June; and references to dollar figures are in AUD currency.

Sustainability

The Sustainability section within this Report outlines the Company's key ESG focus areas, material topics and contributions to sustainable development. It covers all IMDEX subsidiaries excluding Devico. Sustainability content has been prepared with reference to the Global Reporting Initiative Standards Core option. For more information about the Standards, please see www.globalreporting.org. The Report also considers relevant Sustainability Accounting Standards Board (SASB) standards and United Nations Sustainability Goals.

Forward Looking Statements

This report may contain forward looking statements.
Further information can be found on page 202 of this report.

Further Information

Questions or feedback regarding our Company are always welcome.
Please contact Kym Clements - IMDEX Investor Relations at kym.clements@imdexlimited.com





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BUSINESS OVERVIEW

About IMDEX

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

Our product offering includes a broad range of drilling optimisation products, rock knowledge sensors and real-time data and analytics. This offering is commodity agnostic and can be applied across the mining value chain. In February 2023 we extended our product offering with the acquisition of Devico and in May 2023 a 40% investment in Krux Analytics.

We partner with drilling contractors and resource companies to provide integrated solutions that unlock real value and provide timely critical insights.

Our Customer Value Proposition

The key to delivering value to our customers is to provide high quality data in real-time, facilitating improved decision-making opportunities and safer operating environments.

Timely Information for Critical Decision Making



Quality Data

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



Representivity

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



Time Saving

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

Our Integrated Solutions

Our solutions fit within the following three broad categories - Drilling Optimisation Products, Rock Knowledge Sensors and Real-time Data & Analytics. Increasingly our focus is on providing solutions that integrate the categories to provide greater value to customers.

The Devico and Krux products complement each of our three categories. The combined offering provides customers greater choice and the ability to match the right sensors to the right geological program.



Drilling Optimisation Products

A suite of product that enhance drilling productivity while improving safety and the impact on the environment:

- Drilling fluids
- Solids removal units
- Rig alignment technologies
- Directional drilling technologies



Rock Knowledge Sensors

Best-in-class sensors that originate critical data on the four elements of rock knowledge - location, grade, mineralogy and texture:

- Down hole survey sensors, including Devico Reference Gyro
- Core orientation sensors
- Gamma logging sensors
- Structural orientation sensors



Real-Time Data & Analytics

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

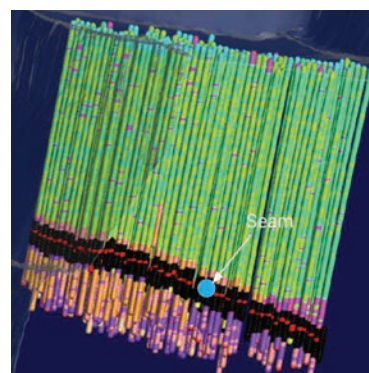
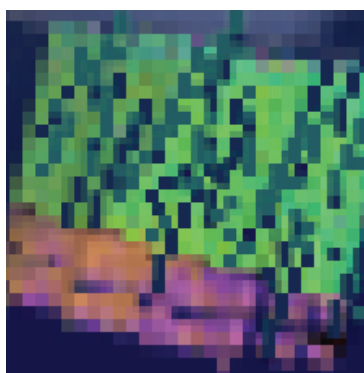
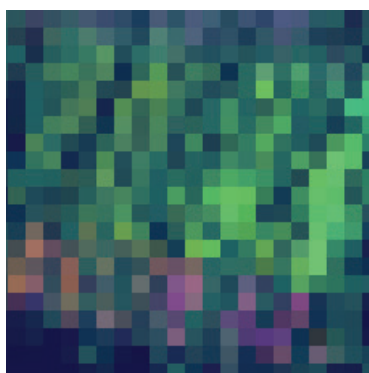
- Devico survey data management system (DeviCloud)
- Krux drilling analytics software
- Cloud-based data collection and validation platform
- Advanced reporting software
- Geoscience analytics software
- Interpretive mineralogy software
- 3D visualisation software

Rock Knowledge & Quality Data

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

It answers questions relating to 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 Four Components of Rock Knowledge

LOCATION

IMDEX HUB-IQ™ connected survey tools mean geologists can see where their holes are anywhere and anytime, rather than relying on paper based flows.

TEXTURE

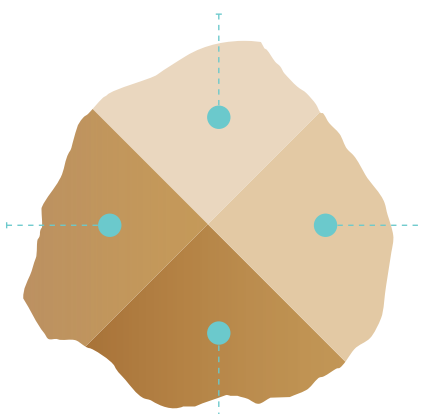
IMDEX's Structural-IQ™ solution combines multiple sensors to allow geologists to see the position of their structures in 3D as they log in the core farm. This replaces workflow where data gathering and interpretation were separated by weeks or months.

MINERALS

IMDEX's aiSIRIS™ software provides a real-time mineralogy solution to IMDEX's rock knowledge offering. It replaces a workflow reliant on laboratory and expert interpretation that is asynchronous to data collection.

GRADE

IMDEX's In-field GeoAnalysis™ solution enables geoscientists to obtain quality assay data at the rig or core farm rather than waiting for laboratory results.





Supply Chain

At IMDEX we manage a complex global supply chain for our product range. We purchase raw materials and components and deliver finished products and business support through supply chains in Asia-Pacific, North America, South America, Europe and Africa.

Our supply chain covers the following critical areas to ensure continued success:

- Suppliers of raw materials and technical componentry for drilling optimisation products and rock knowledge sensors
- Manufacturing of drilling optimisation products and rock knowledge sensors
- Fast turnaround prototyping for engineering and R&D
- Distribution and logistics ensuring rapid response to the changing needs of our clients
- Global service centres to support clients.

Including purchases for manufactured products that may be used in country or shipped overseas.

Approximately 70% of our purchases were with local suppliers (suppliers that operate within the same country IMDEX operates within).

Our Supplier Code of Conduct sets out our minimum expectations of suppliers, their subsidiaries and subcontractors. SMETA¹ audits are conducted on new suppliers for higher risk industries and locations.

During FY23 supply chain pressures continued to ease. We have a resilient supply chain with multiple supply contingencies.

Increased inventory volumes during FY22 were largely released by the close of FY23. We continue to be watchful on supply chains and remain well-positioned to serve our customers.



Our Supplier Code of Conduct available on our website at:
www.imdexlimited.com/media/home/IMDEX-Supplier-Code-of-Conduct_November2021.pdf

¹ SMETA is the world-leading audit. It helps companies understand standards of labour, health and safety, environmental performance, and ethics within your own operations or at a supplier site.

Our Established Global Business

Our global presence is unrivalled. This presence provides a compelling opportunity to embed real value for customers and maximise revenue and earnings for IMDEX.

During FY23 we supported customers in more than 100 countries. We have 22 IMDEX facilities, together with warehouses and calibration centres in key mining regions of the world. Our Head Office is located in Balcatta, Western Australia.

The integration of Devico provides an additional 4 facilities, including a world-class R&D and manufacturing facility in Trondheim, Norway. This facility and its team of engineers, complement our existing capabilities in California and Australia.

Devico significantly strengthens our core business and global presence, particularly in Europe.



Our Customers and Industry Partners

Our long-standing customer base includes large drilling contractors and tier-1 resource companies within the global minerals industry.

We are creating a collaborative ecosystem, where we partner with all customers to optimise orebodies and support resource stewardship.

Operating in all
key mining
regions
of the world

Sales in
100+
COUNTRIES

“Our truly global footprint limits geographic risk and provides greater diversity and industry insights

Shaun Southwell, Chief Operating Officer

Financial Highlights

(Compared to FY22 at 30 June)

Up 20%

GROUP REVENUE

Revenue on a constant currency basis up 16%
Softer exploration activity in 2H23
(FY23 \$411.4m v FY22 \$341.8m)

Up 17%

EBITDA NORMALISED¹

Up 9% on a constant currency³ basis
Impacted by softer exploration activity
in 2H23 and IMDEX product mix
(FY23 \$122.6m v FY22 \$104.9m)

30%

EBITDA MARGIN NORMALISED¹

Normalised annualised EBITDA margin
maintained at 30%
(FY23 29.8% v FY22 30.7%)

Up 13%

NPAT NORMALISED¹

Effective Tax Rate of 31%
(FY23 \$52.9m v FY22 \$47.0m)

\$65M

NET DEBT²

Including Devico, Krux and Datarock investments
Strong working capital discipline
(FY23 \$64.9m debt v FY22 \$24.2m cash)

3.6 CPS

FULL YEAR DIVIDEND

Final 2.1 cps and interim 1.5 cps
30% NPAT payout ratio
(FY23 3.6 cps v FY22 3.4 cps)

¹ Normalised to exclude exceptional legal fees (\$11.1m), Devico acquisition and integration costs (\$10.6m) and residual cost associated with the settlement with the prior owners of the Flexidrill Technologies (\$0.4m and FY22 adjusted for a \$2.9m impairment loss net of related fair value adjustment).

² Cash less external borrowings (FY23: \$123.0m, FY22 \$12.2m) (excluding lease liabilities)

³ Constant currency is calculated by converting prior year numbers to reflect the current years exchange rate

Key Metrics

\$m (unless indicated otherwise)	FY23 Group	FY22 Group	VAR % Group
Revenue	411.4	341.8	20.3
EBITDA	100.5	102.0	(1.4)
EBITDA Normalised¹	122.6	104.9	16.9
EBITDA Margin % Normalised¹	29.8%	30.7%	(2.9)
NPBT	54.6	62.6	(12.7)
NPAT	35.0	44.7	(21.7)
EPS Normalised¹ (cents)	12.0	11.8	1.7
Pre-Tax Operating Cash Flow	105.0	69.8	50.4
Pre-Tax Operating Cash Flow Per Share (cents)	23.9	17.6	35.8
Net Assets (30 June)	556.2	297.2	87.1
Net Cash (Debt) (30 June)²	(64.9)	24.2	(368.2)
Full Year Fully Franked Dividend (cents)	3.6	3.4	5.9
Full Time Employees (30 June)	851 ³	622	36.8

¹ Normalised to exclude exceptional legal fees (\$11.1m), Devico acquisition and integration costs (\$10.6m) and residual cost associated with the settlement with the prior owners of the Flexidrill Technologies (\$0.4m and FY22 adjusted for a \$2.9m impairment loss net of related fair value adjustment)..

² Cash less external borrowings (FY23: \$123.0m, FY22\$12.2m) (excluding lease liabilities)

³ Includes 187 Devico employees

Strategic Highlights

Core Growth

Technology Leadership

- Commercial launch of aiSwyft™ (digital)
- Commercial launch of OMNix™ 38 & 42 GYRO™ (navigational)
- Commercial launch of LOGRx™ (structural)
- Addition of DeviGyro and DeviDrill

Selling Solutions

- Growth in solution selling projects in North America, Africa and Asia Pacific
- Top 250 customers with >3 products 46%, up from 44%
- IMDEX HUB-IQ™ customer adoption growth +10%

Complementary Acquisitions

- Devico acquisition
- 40% investment in Krux Analytics
- Increased investment in Datarock to 49.1%

New Growth

Extension into Mining Production

- 11 installed BHS™ sites and 5 new trial sites
- 2 paid commercial prototype BLASTDOG™ units in operation, with a further unit deployed in August
- 4 installed BOLT™ sites and 2 trials underway



ESG Highlights

People

- HSE engagement metric up 42%
- LTIFR of 0.42 improved 45%
- TRIFR of 0.83 improved 65%
- Closed gender pay gap on a like-for-like basis
- Establish global Diversity, Equity & Inclusion Council
- Completed Better Together inclusion training globally

Innovation

- Embedded sustainability considerations in product stage gate development process
- Published 9 thought leadership articles

Environment

- Established Environmental Policy
- Measured baseline Scope 1 & 2 GHG emissions excluding Devico
- Commenced EMS Certification

Society

- Procurement Policy to enhance support for local suppliers
- Partnered with Canadian Diamond Drillers Association on mental health programs

Governance

- Audit, Risk and Compliance Committee
- ESG Committee established under ARCC
- Modern slavery awareness training
- New Sustainability Committee reporting directly to Board in FY24
- Welcomed Microsoft executive Uwa Airhiavbereas, Non-Executive Director

Chairman's Address

Dear fellow shareholders,

On behalf of the IMDEX Board of Directors, I am pleased to present the Company's Annual Report for the 2023 financial year (FY23).

There were three significant themes throughout fiscal 2023. Firstly, the uncertainty and general flattening within exploration markets, particularly during the second half. Secondly, IMDEX's ability to remain focused on its core business while successfully completing the Devico acquisition. Finally, the Company's excellent safety performance. IMDEX delivered a record revenue result of \$411.4m, which included four months of Devico performance, and represented a 20% increase on FY22. Normalised EBITDA was \$122.6m, a 17% uplift on the previous year.

Safety & Wellbeing

As a Board, we were delighted with the Company's continual improvement in safety ownership and engagement. It was evident in the performance metrics that IMDEX is maturing its safety culture, which is supported throughout the organisation, not just by a select number of champions.

The Company's Lost Time Injury Frequency rate improved from 0.77 to 0.42 and its Total Recordable Injury Frequency rate improved from 2.32 to 0.83.

Disciplined Capital Management

The Devico transaction provided an opportunity for the Company to utilise its balance sheet strength by adopting a level of gearing. This gearing is well within its ability to serve at a ratio of less than 1 times EBITDA. Further, IMDEX is amortising this debt in a relatively accelerated manner.

The acquisition was very well received by capital markets and IMDEX has established strong relationship with its two global banks, which provide further optionality for the future.

During FY23 the Board was pleased to pay an interim fully franked dividend of 1.5 cents and declare a fully franked final dividend of 2.1 cents per share. This brings the full year dividend total to 3.6 cents per share. Importantly, dividends paid and declared are in line with the Company's historical 30% normalised NPAT payout ratio.

Strategy

During FY23 a key area of focus for the Board was execution of IMDEX's strategy and achievement of performance metrics. Pleasingly, the Company delivered strong underlying performance, notwithstanding the softer market in 2H23, while executing its growth strategy.

IMDEX continued to deliver with the release of next generation core technologies, additional commercial prototype contracts with its IMT portfolio and strategic investments, including Devico and Krux.

While Devico was in many respects a bolt on acquisition, it was a significant undertaking expanding IMDEX's geographic footprint and technology offering. It required considerable commitment from the Board and a considerable number of the IMDEX team within a compressed timeframe.

In addition to building out IMDEX's business model, European presence, and R&D capabilities, Devico brings a talented team that shares a strong vision for the industry and a culture aligned to our own.

Devico complements IMDEX's rock knowledge sensor offering, extends its geographic footprint in Europe and consolidates the Company's market leadership position. Its directional core drilling business, combined with IMDEX's global network, also offers excellent growth opportunities.

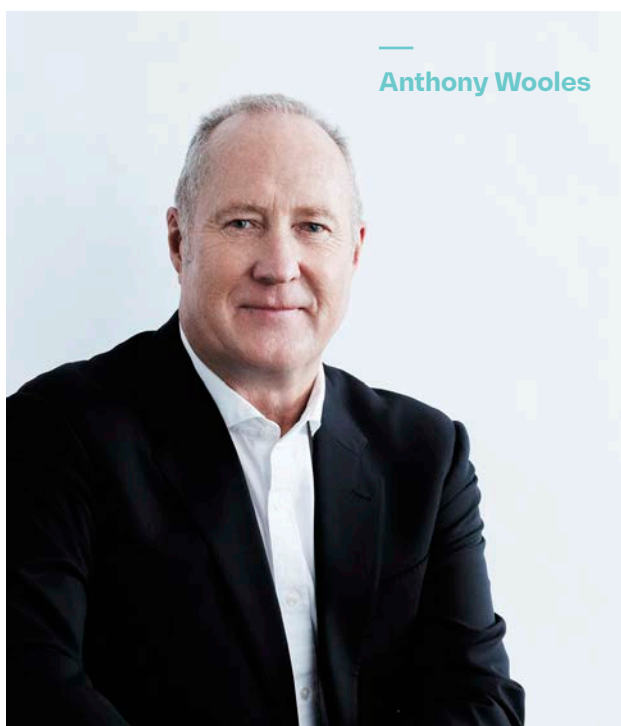
Finally, from an R&D perspective, there is tremendous synergies apparent through the firms coming together.

In addition to the growth opportunities, it was really pleasing to witness the level of professional respect IMDEX and Devico have for one another. There is a real willingness to learn and grow together and we fully expect the cultural fit will provide further integration benefits.

ESG

The Board's commitment to elevating ESG is highlighted by the decision to formalise a standalone Sustainability Committee with its own charter and responsibilities. To date the ESG team has done a great job internally. The new Committee will now take ongoing ownership of our reporting and sustainability initiatives.

IMDEX has a responsibility to continuously improve internally. As a mining-tech company, with a significant global footprint and customer network, it has an excellent opportunity to contribute to a more sustainable mining industry. The Board fully supports these objectives.



— Anthony Wooles

A Talented and Collaborative Team

As Chair of IMDEX, I am delighted with the continued achievement and maturity of the Company.

On behalf of the Board of Directors, I thank Paul House, our Executive Leadership Committee, and our global teams. Each of you has demonstrated your high-level of expertise and professionalism through a challenging and transformative year.

Similarly, I would like to extend my thanks to each member of the Board and welcome Uwa, who joined in January 2023. Uwa is making a significant contribution and complements the Board's strong skillset. His knowledge and insights of the digital landscape and organisational readiness is outstanding.

Finally, I acknowledge and thank our shareholders for your ongoing support. IMDEX is a growth company with a clear strategy to strengthen its core and pursue new business growth via its IMT portfolio and software offering. The Board is confident the Company is in a strong position to continue to deliver long-term returns for shareholders.

A stylized, handwritten signature in black ink, appearing to read 'Anthony Wooles'.

Anthony Wooles
IMDEX Chairman

“ I am delighted with the continued achievement and maturity of the Company.

Board of Directors

Our Board has extensive professional expertise, business experience and knowledge of the mineral exploration, mining, and technology industries. It also has considerable experience within capital and financial markets and digital transformation. Members of the Board are well respected in these arenas and play an active role in our Company's strategic planning.

During FY23 Kevin Dundo retired from the Board following our Annual General Meeting in October 2022. Kevin was appointed to IMDEX's Board as a Non-Executive Director on 14 January 2004. Over his 18 years of service, he has provided valuable guidance and advice to the Company.

In December 2022 Uwa Airhiavbere was appointed Non-Executive Director. Based in Seattle, Uwa is a senior Microsoft executive with extensive business, digital and resource sector experience.

Uwa has demonstrated global leadership in digital transformation, Industry 4.0, energy transition and finance, together with broad international experience gained from living and working in Africa, Italy and the United States.

Uwa has deep insights and perspective on the energy, resources and technology sectors globally and can provide contemporary advice to help guide our continued growth as we support the energy transition.

Key priorities for the Board during FY23 included:

- Enhancing safety performance
- Underlying business performance and growth
- Disciplined cost management
- Ongoing strategy development
- Execution of our strategy and achieving performance milestones
- Governance and enhancing ESG disclosure

During FY24 the Board will focus on:

- IMDEX's safety culture and building on the quality engagement in FY23
- Disciplined integration of Devico to realise sustainable growth from FY25
- Maintaining an efficient business model for IMDEX's next level of growth
- Capital management
- Monitoring global market conditions

“ I would like to extend my thanks to each member of the Board and welcome Uwa, who joined in December 2022.

Anthony Wooles, Chairman



Mr Anthony Wooles
Non-Executive
Chairman

Appointed
July 2016

Expertise:
Financial and capital
markets and strategic
marketing

Ms Trace Arlaud
Non-Executive
Director

Appointed
February 2021

Expertise:
Mining engineering,
geology and
geophysics

Mr Ivan Gustavino
Non-Executive
Director

Appointed
July 2015

Expertise:
Strategic growth and
transactions within
the technology
sector

Mr Uwa Airhiavbere
Non-Executive
Director

Appointed
December 2022

Expertise:
Digital
transformation,
Digital 4.0 and the
resources sector

Ms Sally-Anne Layman
Non-Executive
Director

Appointed
February 2017

Expertise:
Exploration, mining
and finance



CEO Review of Operations

Dear Shareholders,

The 2023 year marks my sixth at IMDEX, and my third with the privilege of being its CEO. Each year has proven to be larger than the one that went before it, in so many ways, and this year has been no exception.

Once again, we have made great strides in both the quality of our core business, and the advancement of our growth strategy, with the acquisition of Devico and the investment in Krux Analytics in April of 2023.

I continue to be humbled by the talent and energy of our global team. More than ever, I am excited by the outlook for both our company and the industry we serve.

FY23 Financial Highlights

We achieved record full year results in terms of revenue and operating EBITDA. The strength of our core business during the first half was outstanding. Most pleasing was the performance of the business in the second half as it responded to significant market challenges.

Exploration activity in the latter half of the year was impacted by a rising cost environment, as resource companies sought to curtail inflationary cost pressures, demand greater productivity, and shift their exploration spend to alternative jurisdictions. This was most evident in Canada and Australia.

It is a feature of our business model and our global presence that we were able to respond to these pressures and shifting spending patterns, while maintaining a relentless focus on our core business. Our ability to largely maintain the operating margin

of our core business, and continue to invest in our growth business units, demonstrates the underlying quality of the IMDEX business.

During the year we generated revenue of \$411.4m, which included four months of Devico sales. Our normalised EBITDA of \$122.6m, was up 17%. On a constant currency basis, revenue and earnings grew 16% and 9% respectively.

One of our performance objectives is to outperform industry growth rates in all market conditions. Pleasingly, our 5-year revenue CAGR of 13% continues to demonstrate this ability. Our benchmark is the S&P exploration expenditure for nonferrous metals, which had a comparable CAGR of 9% over the period and is forecast to contract by 20% for calendar 2023.

We maintained our disciplined capital management policy. The Devico transaction provided an opportunity to further strengthen our core business, while putting our balance sheet to work through a debt facility. Our leverage ratio remains well within the limit that we have the capacity to serve and positions us to deliver long-term value to shareholders.

“ Fiscal 2023 proved once again to be a year of progress and we continued to make significant strides as a mining-tech company with a clear growth strategy.

Strategic Highlights

Our growth strategy, as defined three years ago, set clear objectives regarding the role of technology leadership (through both R&D and acquisition), solution selling to deliver more value to existing customers, and our extension into mining production. Clear objectives were established to invest in horizon 1 products, being the next generation of current core IMDEX technologies, which serves to protect and strengthen our core business in the short term. Concurrently, we invest in horizon 2 and 3 projects, which aim to deliver returns to shareholders over the longer term. FY23 saw great progress across all of these fronts.

Technology Leadership

Notable achievements within our technology pillar included the commercial launch of:

- aiSwyft™ (digital solutions)
- OMNIx™ 38 & 42 GYRO™ (navigational solutions); and
- LOGRx™ (structural solutions).

The acquisition of the Devico group bought with it a clear portfolio of leading products, and a great team with capabilities to complement IMDEX. First and foremost, Devico's DeviDrill provides clear technology and market leadership in the directional core drilling business globally. This technology complements our drilling optimisation portfolio and supports a fast-growing market. Today we estimate that less than 4% of all drilling using premium directional drilling solutions, and we anticipate this metric to grow significantly over time.

The Devico acquisition also enhanced our Rock Knowledge sensor portfolio, with the DeviGyro complementing our survey tool technology stack. Our combined technology offering provides customers greater choice and the ability to match the right sensors to the right geological program.

In addition, the Devico business has a worldclass R&D and manufacturing facility in Norway, together with a team of engineers that complements our existing capabilities in California and Australia. Together, our pipeline of technologies has never been stronger.

Solution Selling

Optimising the technology solutions to unlock value at any customersite remains at the early stages of its full potential. During FY23, 46% of our top 250 customers used more than three IMDEX products, up from 44% in the prior year. We have a clear pathway to grow this to five or more products overtime, optimised for each site.

Acquisitions – Devico

The investment in the Devico group, its people, its products, and network around the world, substantially enhance our core product offering and market footprint. While I have already made reference to the many benefits of the acquisition, I would like to make special mention of our respective leadership teams who have worked tirelessly to bring this combination together.

Finally, our thanks go to our Board, who's members were equally tireless and committed to supporting the IMDEX XCo in undertaking this opportunity.

Significant recognition must go to Devico founder Viktor Tøkle, Managing Director Erlend Olsø, and their Devico Group leadership around the world. This transaction could only have been possible with a shared strategic view about the possibilities in our industry, and the team culture required for former competitors to come together as one. Thank you!

“ The investment in the Devico group, its people, its products, and network around the world, substantially enhance our core product offering and market footprint.

Acquisitions – Krux Analytics

In addition to Devico, our 40% interest in Krux represents a significant investment in our core digital business.

Krux is a fast-growing best-in-class drilling analytics business. Its next generation software solution perfectly bridges the expectations of resource companies and drilling companies both. In time, the Krux software will displace our IMDEX Mobile product and provide a clear pathway for our current customers to a best-in-class solution in the future.

Krux's strong market position in North America, combined with our strength in Asia Pacific and Africa, presents a great platform for this to be a truly global solution.

Expansion into Mining Production

Our investment in IMDEX Mining Technologies leverages our core capabilities across all three IMDEX product categories, being drilling optimisation, rock knowledge sensors, and data & analytics. In FY23 we made progress in each. We continue to conduct demonstrations and trials with a growing list of interested customers with whom we are working towards full commercialisation. While still at the early stages of this initiative, we remain both committed and excited by the prospects.

To conclude this Strategic Highlights section, I would like to reiterate these achievements would not be possible if we didn't have a multi-disciplined and highly collaborative team with broad geographic reach, together with broad domain and geoscience expertise. I am most proud of our team and the discipline that it takes to approach these growth opportunities on one hand and maintain a best-in-class core business on the other.



ESG Highlights

The importance we place on ESG is recognised by the establishment of our Sustainability Committee. This Committee will report directly to the Board as part of our growing commitment to this area.

It is pleasing to note that we achieved the majority of our ESG targets set for FY23 within our five focus areas – People, Innovation, the Environment, Society, and Governance.

Further details can be found in the Sustainability section of this Report on pages 45 – 61. I would, however, like to highlight our excellent safety performance. For the second time in two years our safety engagement was up (42% on FY22) and our TRIFR of 0.83 was down (64% improvement on FY22). Again, my thanks to every member of our global team for looking out for and valuing each other.



Industry Outlook

FY23 represented a significant year for the recognition of the mining industry's role in the broader societal goals of decarbonisation and the drive towards net zero. The realisation of mining's importance will be followed with an expectation that the mining industry will step up to meet this need.

The demand for critical metals, in particular, to bridge a very clear gap between demand and supply will become acute. The pathway to achieving this requires both an increase in drilling and the adoption of new technologies to improve productivity.

Increasingly, orebody knowledge is being recognised as vital for faster and more efficient mining outcomes. Orebody knowledge is at the heart of what we deliver. Our drilling optimisation products ensure greater productivity while improving safety and the impact on the environment. Our rock knowledge sensors originate critical data on the four elements of rock knowledge – location, grade, mineralogy, and texture. And finally, our data and analytics software enrich this data and enable fast, real-time decisions to be made further upstream in the mining value chain.

In the short term, the rising cost environment within the industry is creating downward pressure on immediate demand for drilling activity. It is expected in turn, to accelerate the demand for new technologies. Looking further ahead, the medium to long term outlook fundamentals remains exceedingly positive.

“ I am constantly humbled by the willingness of each one of you to assist the other when needed. It makes for me a wonderful place to work.

Key Focus Areas for FY24

Our strategy remains unchanged. To that end our first priority remains our people and ensuring we have the right people in the right roles with the right culture and capabilities to execute our strategy.

Secondly, maintaining a relentless focus on the efficiency of our core business, including the integration of the Devico into our global network.

Finally, continuing our methodical execution of trials within our IMT portfolio of services as we use our core capabilities to build a new business unit downstream into the mining production value chain.

My thanks

I have recognised the Board for going above and beyond in supporting the Devico transaction. Throughout FY23, a year coloured by significant investment and marketplace uncertainty, each members' energy in seeking to understand and support our strategy has been exemplary.

In December 2022, we were pleased to welcome Uwa Airhiavbere to the Board. Uwa brings significant experience through his roles at Microsoft and prior, together with fantastic insights into transforming traditional businesses for digital readiness.

For our XCo it has been a significant year of growth and challenge. The journey of successes and experiences I could not be prouder to share with the group. I am constantly humbled by the willingness of each one of you to assist the other when needed. It makes for me a wonderful place to work.

To all of our team globally, I thank you for your individual and collective contributions to our company. You are forever curious. You go above and beyond for customers. You thrive together and are indeed global game changers.



Paul House
IMDEX Chief Executive Officer



Paul House



Executive Leadership Committee



Mr Paul House

CHIEF EXECUTIVE OFFICER

Time with IMDEX

Joined as Chief Executive of REFLEX in 2017. Transitioned to Chief Operating Officer in 2019 and commenced as Chief Executive Officer in 2020.

Experience

>30 years within the resources and technologies sectors. Lived and worked in a wide range of international markets including the USA, Australia, Africa, India, the Middle East, and Southeast Asia. 14 years with SGS, the world's leading inspection and testing firm, with a dominant presence in the resources geochemistry assay and metallurgy sectors.

Expertise

Management, strategy, operations, corporate finance and governance.

Professional Qualifications

Bachelor of Commerce from the University of Western Australia.

Memberships and Associations

Fellow of the Australian Institute of Management and Graduate Member of Australian Institute of Company Directors.



Mr Paul Evans

CHIEF FINANCIAL OFFICER

Time with IMDEX

Commenced as Chief Financial Officer and Company Secretary in 2006.

Experience

>35 years within the mining services, media, manufacturing, and telecommunications sectors.

Expertise

Finance, governance and management.

Professional Qualifications

Chartered Accountant Australia and New Zealand.

Memberships and Associations

Fellow of Chartered Accountants Australia and New Zealand and Graduate Member of Australian Institute of Company Directors.



Mr Shaun Southwell

CHIEF OPERATING OFFICER

Time with IMDEX

Joined IMDEX in 2018 as Vice President Asia Pacific and Global Supply Chain Manager, transitioned to Chief Operating Officer in 2020.

Experience

>25 years with Gearhart United – a subsidiary of SGS and a leading designer and manufacturer of oilfield equipment in Australia.

Expertise

General management and all aspects of supply chain including manufacturing, service, fleet management and logistics. The drilling industry and equipment.

Professional Qualifications

Leading Organisational Impact - Melbourne Business School Executive Program.



Dr Michelle Carey

CHIEF OF STRATEGY

Time with IMDEX

Joined following IMDEX's acquisition of ioGlobal in 2012. Appointed to General Manager of IMDEX Product Development in 2019. Transitioned to Chief Product and Marketing Officer in 2020.

Experience

>25 years in the mining industry.
>10 years as a geoscientist in technical and management roles for tier one mining companies.
>15 years focusing on mining technology development.

Expertise

Innovation and product development within the mining industry.

Professional Qualifications

PhD in Geochemistry from Monash University.

Memberships and Associations

Member of Austmine Board.
Member of the Insead Alumni Association. Member of Datarock Pty Ltd Board.



Dr Dave Lawie

CHIEF GEOSCIENTIST

Time with IMDEX

Joined as Chief Geoscientist following IMDEX's acquisition of ioGlobal in 2012. Appointed Chief Geoscientist and Chief Technologist - Mining Solutions in 2015.

Experience

Global positions in exploration geochemistry and R&D with Pasminco and Anglo American before cofounding ioGlobal in 2004.

Expertise

Geochemistry, geometallurgy, innovation, analytics and cloud-based data management and analysis.

Professional Qualifications

PhD in Geosciences and Analytics from the University of New England.

Memberships and Associations

Member of AusIMM, member of Advisory Board UWA Data Institute and member of Centre for Exploration Targeting (CET-UWA) Technical Working Group.



Mr John Hickey

CHIEF TECHNOLOGY OFFICER

Time with IMDEX

Joined in 2022 as Chief Technology Officer.

Experience

>30 years in oil and gas formation evaluation, drilling tool development and operations with companies including Teleco Oilfield Services, Baker Hughes and APS Technology.

Expertise

Engineering, R&D, business development and field operations globally.

Professional Qualifications

Bachelor of Science in Petroleum Engineering from Penn State and Master of Science in Environmental Management from University of Houston – Clear Lake.



Kiah Grafton

CHIEF OF PEOPLE

Time with IMDEX

Joined as Human Resources Manager Asia Pacific in 2017. Transitioned to Global Head of Human Resources then Executive General Manager of Human Resources.

Experience

>18 years as a human resources generalist. Broad industry experience including resources, banking, hospitality and not-for-profit sectors for national and global organisations.

Expertise

Strategy, talent acquisition, industrial relations and organisational development.

Professional Qualifications

Bachelor of Business, Human Resources Management & Management, Edith Cowan University.

Memberships and Associations

Graduate Member of Australian Institute of Company Directors and Graduate Member of Chief Executive Women (CEW) Leaders Program.



Michael Tomasz

CHIEF LEGAL OFFICER

Time with IMDEX

Joined in 2021 as General Counsel and Company Secretary.

Experience

International experience gained across a wide range of markets, including North America, Asia Pacific, Middle East, Japan, and Europe. Worked for tier one mining company and one of world's largest oilfield services companies.

Expertise

Corporate and commercial law. Corporate governance and dispute resolution. Building collaborative partnerships within the resources sector.

Professional Qualifications

Admitted as a barrister and solicitor in the Supreme Court of New South Wales; admitted as a Solicitor in England & Wales. Master of Business Administration from Curtin University, Bachelor of Laws from Murdoch University, Bachelor of Science (Geology) from University of Western Australia.

Memberships and Associations

AMPLA (Australian Mining and Petroleum Lawyers Association) and ACC Australia (Association of Corporate Counsel).



Wayne Panther

CHIEF INFORMATION OFFICER

Time with IMDEX

Joined in 2023 as Chief Information Officer.

Experience

International experience with Chevron and Microsoft.

Expertise

IT strategy, development and delivery, operations and innovation.

Professional Qualifications

Bachelor of Commerce and Bachelor of Arts from the University of Auckland.

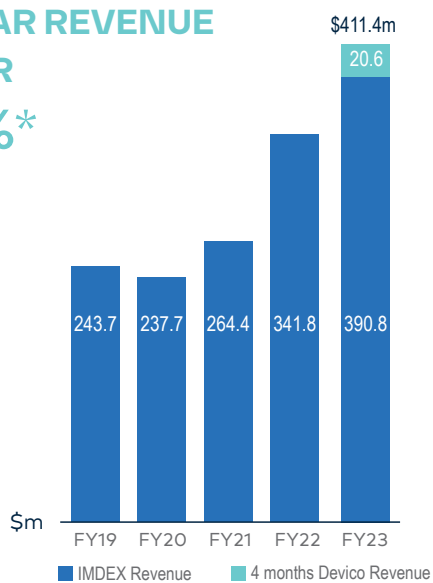
Memberships and Associations

Graduate Member of Australian Institute of Company Directors

FINANCIAL PERFORMANCE

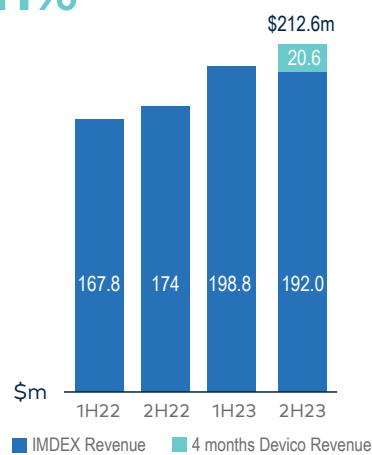
Financial Summary

5 YEAR REVENUE CAGR 13%*



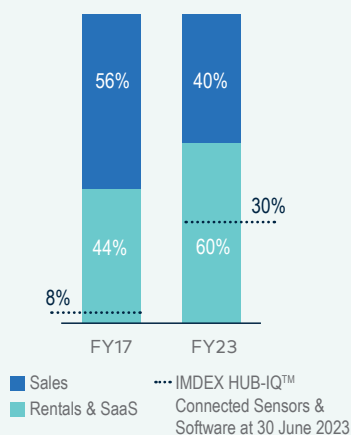
- Devico contributed \$20.6m revenue, despite planned transition of sensor sales to IMDEX rental model

2H23 REVENUE UPLIFT ON 2H22 EXCL. DEVICO 11%



- IMDEX and Devico impacted by softer exploration activity in 2H23 - notably in Canada and Australia

INCREASING REVENUE FROM SENSORS & SOFTWARE



- Increasing revenue from sensors and software
- Higher margins and quality recurring revenue
- Restated sales grew from 39% in FY22** (Excl. Devico FY23 42%)

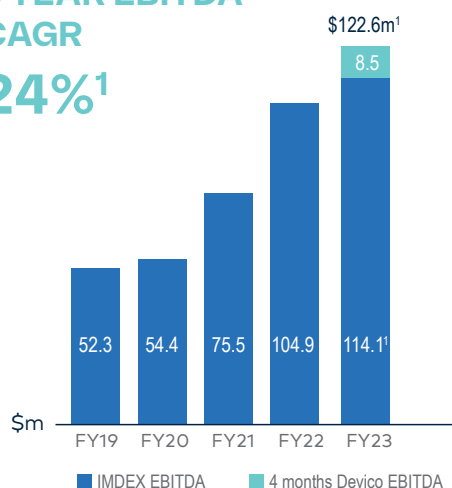
* S&P CY22 5-calendar year CAGR 9%

** Revenue represents 40% Sales (incl. of sale of fluids, sensors and equipment) and 60% Rental & SaaS (incl. of rental of sensors and equipment and subscription fees for software) rather than Drilling Optimisation and Rock Knowledge. Comparative disclosures for 1H23 is 40% / 60% and for FY22 is 39% / 61%. respectively.

^ FY23 Sales v Rental & SAAS mix is as a % of consolidated revenue. If restated with IMDEX only revenues this mix would be 42% Sales and 58% Rental & SaaS.

5 YEAR EBITDA CAGR

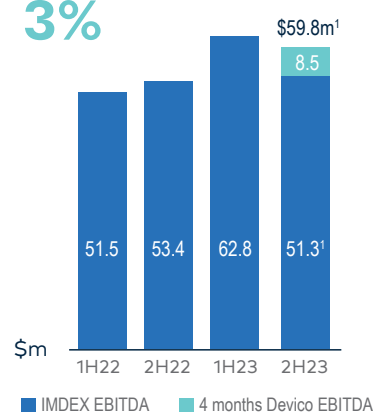
24%¹



- Strong trend of EBITDA growth
- Devico contributed \$8.5m EBITDA, which was impacted in the short-term by increased investment in directional core drilling to support future growth

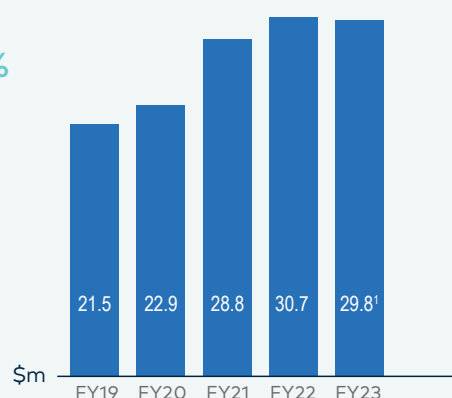
2H23 EBITDA DOWN ON 2H22 EXCL. DEVICO

3%



- IMDEX and Devico earnings impacted by slower exploration activity in 2H23 which impacted sensors in Canada and Australia

EBITDA MARGIN %



FY23 EBITDA margin % impacted by:

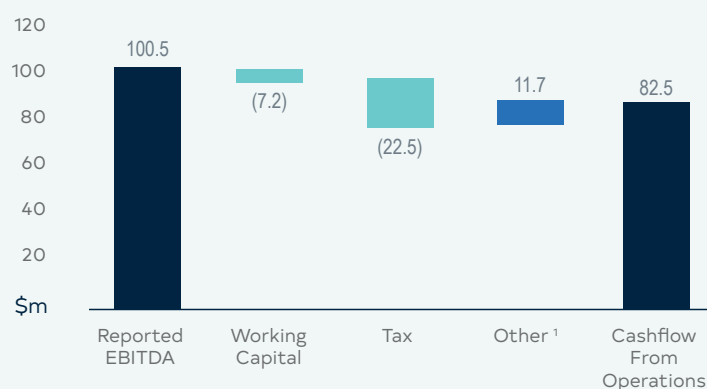
- Change in product mix – higher % of Sales v Sensors & SaaS
- Increased investment to support core and new business growth including IMT and Digital 2.0

¹ Normalised to exclude exceptional legal fees (\$11.1m), Devico acquisition and integration costs (\$10.6m) and residual cost associated with the settlement with the prior owners of the Flexidrill Technologies (\$0.4m and FY22 adjusted for a \$2.9m impairment loss net of related fair value adjustment).



Strong Cash Generation

EBITDA to cash flow from operations



- 82% EBITDA to operating cashflow conversion
- ~\$8m additional FY22 inventory build largely released

¹ Other includes non-cash items including provisions, share of associates and FX movements.

Summary of Financial Highlights

	FY23 \$'000	FY22 \$'000
Revenue from continuing operation (excluding interest income)	411,398	341,843
EBITDA (Reported)	100,514	101,987
Individually Significant Items ¹	22,064	2,871
EBITDA (Normalised)	122,578	104,858
EBITDA Margin (Normalised)	29.8%	30.7%
Net Profit before tax (Reported)	54,597	62,566
Income tax expense (Reported)	(19,602)	(17,855)
Net profit after tax (Reported)	34,995	44,711
EPS (Reported)	7.95	11.28
EPS Normalised	12.01	11.85
Net Cash provided by operating activities	82,506	56,306
Cash on hand	58,128	36,368
Net assets	556,208	297,226
Total borrowings	123,048	12,166
Net Tangible Assets per Share	26.78	50.30

¹ Individually Significant Items include \$11.1m exceptional legal fees, \$10.6m Devico acquisition and integration costs and \$0.4m residual cost associated with the settlement with the prior owners of the Flexidrill Technologies (FY22 adjusted for a \$2.9m impairment loss net of related fair value adjustment).

Core Business Outlook

FY24 Near Term

INDEX

- Rock Knowledge Sensors on hire up 5% from 30 June 23
- Solution selling opportunities in North America and Africa
- Demand expected to remain steady in FY24

INDUSTRY

- S&P forecast a contraction of 20% during CY23
- Exploration activity tempered as resource companies respond to the high-cost environment
- Mid and major resource companies remain well funded, capital raisings have improved for juniors

OPERATING ENVIRONMENT AND OUTLOOK

FY23 Operating Environment

S&P forecasted a 15% to 20% contraction in exploration spend for CY23.

Exploration budgets remained strong and supported strong activity during 1H23 in most IMDEX regions.

A strong post-Christmas start-up in January.

Historically we see exploration drilling activity rise from March to June, however, activity remained steady from March through to May 2023.

During 2H23 exploration activity was principally tempered by:

Resource companies responding to a rising cost environment, with cost-out initiatives and retendering drilling contracts

Juniors preserving funds in an environment defined by rising costs and lower capital raisings

The regions most impacted were Canada and Australia, in particular juniors and gold explorers

Activity in South America, Africa, Europe and SE Asia remained strong

In 2H23 capital raisings started to gradually improve for juniors.

FY25+ Medium to Longer Term

IMDEX

- Revenue synergies from integration of Devico products
- Increased revenue from sensors and software
- Increased adoption of new business model offering

INDUSTRY

- Increased exploration spend in CY24 as forecast by S&P
- The need to replace diminishing reserves
- Substantial demand for critical metals
- Deeper more complex ore bodies requiring larger drilling programs
- Demand for innovative solutions and directional drilling to improve drilling productivity

FY24 Focus Areas

Protecting and Developing Our People

- Capability development
- Safety culture
- Employee engagement

Investing in our Core Business Growth

- Devico integration
- Disciplined product development

Investing in Digital 2.0

- Customer experience
- Systems that optimise cost base and build scale

Investing in our New Business Growth

- Additional installed sites and units on rent within IMT portfolio
- Scaling software
- Collaboration with Krux and Datarock

A Growth Company

Core Business

Technology Leadership

- Targeted R&D to win global market share
- Targeted R&D to increase size of addressable market globally

Integrated Selling Solutions

- Focusing on optimised solutions in real time rather than products for orebodies
- Maximising customer value and revenue for IMDEX

Complementary Acquisitions

- Building on components of orebody knowledge
- Focusing on emerging or established technologies and software that complement existing revenue

New Business

Extension into Mining Production

- Leveraging capabilities in this adjacent market where it is the same orebody and the same customer
- Mining production is a substantially larger market that is less subject to cyclical impacts

SUSTAINABILITY



SUSTAINABILITY

Leadership Support

Dear Shareholders,

On behalf of our Board and as Chair of IMDEX's Sustainability Committee, I am pleased to support the Company's commitment to enhancing its ESG disclosure and its sustainability role within the global minerals industry.

Approach to ESG at IMDEX

IMDEX's approach to ESG remains through two lenses, inside and outside of the Company.

While we have made excellent progress, there is a real opportunity internally to further strengthen our governance. The Devico transaction heightened our focus on processes to achieve best practice across our combined businesses. Of course, best practice changes all the time, so we remain committed to continual improvement in this area.

With a larger and increasingly diverse team, we also remain committed to ensuring our policies support and encourage our people to grow. This is critical for our Company, particularly with the geographic footprint we have.

Finally, while we do not have large carbon emissions or a material direct impact on the environment, we are seeking to improve internally. In FY23 we commenced measuring our scope 1 and 2 greenhouse gas emissions, which sets an important baseline for the future.

Externally, we have a significant opportunity to help our customers become more sustainable and reduce their environmental footprint. More broadly, we have a responsibility to leverage our core capabilities to support the net zero and biodiversity goals that have been set globally.



IMDEX's Opportunity and Responsibility as a mining-tech Company

As a leading mining-tech company, we have a tremendous opportunity to support the mining industry's sustainability aspirations. We also have a responsibility to leverage our geoscience capabilities, technologies, and analytical software to do this.

There is an increasing amount of data originated by IMDEX's sensors, or third-party tools, that can help mining companies gain a better understanding of their orebodies – from exploration through to mining. These critical insights enable companies to drill more accurately, drill less and extract resources more efficiently. The sustainability benefits are wide-reaching. Decreased carbon and physical site footprints, greater safety, enhanced stewardship of our precious natural resources and timeliness bringing them to production.

Pleasingly, the mining-industry is now being accepted as an integral part of our modern world and the decarbonisation pathway. The amount of new energy metals needed to achieve net zero by 2050 is astronomical. For greater context, we need to mine more copper than has been mined to-date. There are many more examples such as this one.

Because of this supply and demand imbalance, it is incumbent our industry to mine in the most efficient way and to make the most of the natural resources that we have stewardship of. It is incumbent on IMDEX to support these objectives.

Notable ESG Achievements

Our progress throughout the year can be attributed to the strength of our ESG Committee, which has enjoyed excellent engagement from all parts of our business. It operates as part of our business, rather than a siloed function. In addition to meeting all of our ESG targets set for FY23, notable achievements include:

- 100% of employees successfully completed our compliance training. This training is now included as part of the employee short-term incentive payment gateway, highlighting the importance our Board and Executive Committee place on it.
- The introduction and engagement with our Better Together training. This initiative encourages employees to speak out if they feel marginalised or not included in anyway. While the number of reports increased, it reflects that employees feel safe enough to raise concerns and in-turn, these concerns can be addressed.
- Establishing a solid foundation to monitor and enhance our ESG reporting in the future. During the year we undertook several workshops to develop our ESG strategy. We also transitioned to a sub-committee of our Audit Risk and Compliance Committee. Commencing in FY24 we established a standalone Sustainability Committee reporting directly to the Board.



Sally-Anne Layman

Our Sustainability Committee

We have always considered ESG as very important. Due to the progress made and the increasing importance we place on sustainability, it was the appropriate time to establish a Sustainability Committee. This Committee has the authority to review, on behalf of our Board, all matters arising in relation to the environmental, social and governance aspects of IMDEX.

The objectives of the Committee will be to assist the Board in:

- Fulfilling its responsibilities across environmental management, social performance, community engagement and ethical business practices;
- Monitoring climate related risks and opportunities;
- Overseeing progress towards sustainability commitments;
- Determining the ESG related objectives for the Company to be measured against; and
- Having reference to IMDEX's Diversity Policy.

My Thanks

I would like to call out the really good work the Committee has done. It is fantastic to see the buy in within all our functions. It is really important in elevating ESG to the right level in the organisation and achieving our goals. My sincere thanks to the whole Committee and I look forward to further progress in FY24.

A handwritten signature in black ink that reads 'Sally-Anne Layman'.

Sally-Anne Layman
IMDEX Non-Executive Director



ESG Approach

Our opportunity and our responsibility are to drive positive change within the global minerals industry and contribute to a net zero future.

Concurrently, we are committed to enhancing disclosure and accessibility of information relating to our impacts on the economy, environment and society that indicate our contribution to sustainable development.

To achieve these objectives, we consider ESG through two distinct lenses:

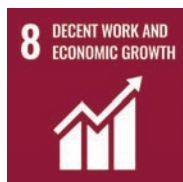
- Inside our business and the practices that we can control to ensure we are setting the right targets and continuously improving for our people and our planet; and
- Outside IMDEX and how we can leverage our research and development capabilities to enhance the sustainability of our customers' operations and the communities in which they operate.

During FY23 we updated our Sustainability Policy to reflect our ESG focus areas. The purpose of this Policy is to outline the commitment our Company has to practices, standards and technologies that support sustainable development. Upholding our Sustainability Policy is the responsibility of everyone engaged at IMDEX and applies to all directors, officers, contractors, and employees. Our Chief Executive Officer is accountable to the Board for the oversight of all sustainability matters in accordance with this Policy.



Sustainability Policy information can be found on our website at:
www.imdexlimited.com/about-us/corporate-governance

Focus Areas and UN Sustainability Development Goals



People

Ensuring a safe and inclusive global workplace

Promoting diversity in the workplace and an inclusive culture across IMDEX.

Our current goals are to:

- Ensure a safe and inclusive global workplace
- Provide a working environment that is safe and supports total wellbeing
- Achieve zero harm through the systematic management of risk
- Continually improve our ratings for Lost Time Injuries, Total Recordable Injuries and Safety Engagement Activities year-on-year
- Support our Diversity Council to implement our Diversity and Inclusion strategy
- Maintain equal pay through our remuneration review process
- Educate our workforce to increase psychological safety and encourage diversity of thought.

Innovation

Driving the sustainability of the global minerals industry

Developing products and technologies that provide additional value to customers' operations and ensure secure quality data.

Collaborating with associations and research partners to enhance the safety and efficiency of mining processes.

Our current goals are to:

- Develop products and technologies that limit energy consumption and carbon emissions by optimising drilling processes across the mining value chain
- Develop products and technologies to optimise Drill & Blast processes, which lower energy consumption and dust emissions while enhancing safety
- Deliver equipment to reduce water consumption, contamination, safety hazards and the environmental impact on site.

Environment

Contributing to a low emissions future

Implementing internal practices to ensure we are setting the right targets and are continuously improving for our people and our planet.

Our current goals are to:

- Operate responsibly by limiting our impact on the environment
- Reduce energy consumption and our scope 1 and 2 greenhouse gas emissions
- Reduce water usage and effluents
- Reduce waste generation and ensure appropriate disposal
- Promote sustainable practices and education at our IMDEX facilities
- Promote sustainable end-of-life product recycling
- Provide recyclable and degradable packaging options to reduce the use of plastics.

Society

Supporting economic development and our local communities

Maximising value and providing sustainable earnings growth while supporting the communities in which we operate.

Increasing the accessibility of information regarding the Company's ESG related risks and opportunities for all stakeholders.

Our current goals are to:

- Grow our core business by enhancing our technical leadership and embedding value for customers
- Achieve further extension within the larger adjacent mining production market, which is less cyclical
- Consistently outperform market growth for the global minerals industry
- Enhance the accessibility of information relating to ESG related risk and opportunities
- Enhance support for our global communities.

Governance

Upholding ethical and sustainable business practices

Conducting business in a manner that is ethical, values-driven and in compliance with the laws in all countries of operation.

Ensuring activities and the organisations IMDEX works with are ethical and do not harm people or the environment.

Our current goals are to:

- Uphold our Code of Conduct and Supplier Code of Conduct
- Maintain our strong governance systems to avoid bribery and corruption in the first instance
- Manage performance for complete and consistent compliance with applicable laws and regulations
- Effectively identify opportunities and manage risks to our global business including privacy and data security.



HIGHEST QUALITY DRILLING FLUIDS, PACKED TO
REDUCE THE IMPACT ON OUR ENVIRONMENT

AMC
DRILLING OPTIMISATION

Our
Australia

Material Topics

Material topics are the significant environmental, social and governance topics that currently impact our business, may impact our business in the foreseeable future, and most influence our stakeholders' perceptions of our performance. These topics form the basis of this report. The key impact areas are indicated in the table below.

In FY21 we conducted a materiality assessment with the support of Morrow Sodali, a leading provider of strategic advice and shareholder services. Our ESG Committee reviews all material topics annually.

Material Topics	Customers	Employees	Investors and Financial Institutions	Suppliers and Distributors	Government	Industry Partners & Associations	Community
PEOPLE							
Health, Safety & Wellbeing	✓	✓	✓	✓	✓	✓	✓
Diversity & Inclusion	✓	✓	✓	✓	✓	✓	✓
People & Culture	✓	✓	✓	✓	✓	✓	✓
INNOVATION							
Technology Solutions	✓	✓	✓	✓		✓	✓
Thought Leadership & Associations	✓	✓	✓			✓	✓
ENVIRONMENT							
Climate Resilience	✓	✓	✓	✓			
Operational Emissions	✓	✓	✓	✓	✓	✓	✓
Water & Effluents			✓		✓		✓
Land Disturbance & Rehabilitation	✓		✓		✓	✓	✓
SOCIETY							
Sustainable Earnings Growth	✓	✓	✓	✓	✓		✓
Local Support & Engagement		✓				✓	✓
GOVERNANCE							
Corporate Governance & Risk	✓	✓	✓	✓	✓	✓	✓
Human Rights & Modern Slavery	✓	✓	✓	✓	✓	✓	✓
Privacy & Data Security	✓	✓	✓	✓	✓	✓	✓

FY23 Highlights and FY24 Targets

Our ESG targets are set annually by the ESG Committee and are approved by Executive Leadership Committee and Board.

PEOPLE

Material Topics	FY23 Key Targets	FY23 Performance	FY24 Key Targets
Health, Safety & Wellbeing	<ul style="list-style-type: none"> Refresh Sustainability Policy 	✓	<ul style="list-style-type: none"> Maintain the volume and quality of HSE engagement. - >90% HSE Training compliance
Diversity & Inclusion	<ul style="list-style-type: none"> ESG Committee to become sub-committee of Audit, Risk and Compliance Committee 	✓	<ul style="list-style-type: none"> TRIFR - 1.94
People & Culture	<ul style="list-style-type: none"> Implement modern slavery awareness training for supply chain team 	✓	<ul style="list-style-type: none"> LTIFR - 1.29 Deliver on Diversity, Equity and Inclusion Strategy Scope and define an ESG awareness module for all employees

INNOVATION

Material Topics	FY23 Key Targets	FY23 Performance	FY24 Key Targets
Technology Solutions	<ul style="list-style-type: none"> Formalise sustainability considerations in stage gate development process 	✓	<ul style="list-style-type: none"> Reduce the weight and length of rock knowledge sensor running gear
Thought Leadership & Associations	<ul style="list-style-type: none"> Present or publish at least 3 thought leadership articles on ESG benefits of IMDEX solutions 	✓	<ul style="list-style-type: none"> Present or publish at least 5 thought leadership articles on sustainability benefits of IMDEX solutions.

ENVIRONMENT

Material Topics	FY23 Key Targets	FY23 Performance	FY24 Key Targets
Climate Resilience	<ul style="list-style-type: none"> Develop an Environmental Policy 	✓	<ul style="list-style-type: none"> Review packaging to increase percentage of recyclable to reusable packaging
Operational Emissions	<ul style="list-style-type: none"> Measure baseline GHG emissions and establish a reduction program 	✓	<ul style="list-style-type: none"> 95% recyclable packaging for drilling optimisation fluids
Water & Effluents	<ul style="list-style-type: none"> Establish initiatives to aid the use of renewable energy at IMDEX facilities 	✓	<ul style="list-style-type: none"> 95% reusable packaging for rock knowledge sensors
Land Disturbance & Rehabilitation	<ul style="list-style-type: none"> Commence EMS Certification 	✓	

SOCIETY

Material Topics	FY23 Key Targets	FY23 Performance	FY24 Key Targets
Sustainable Earnings Growth	<ul style="list-style-type: none"> Meet internal earnings growth targets 	✓	<ul style="list-style-type: none"> Meet internal earnings growth targets
Local Support & Engagement	<ul style="list-style-type: none"> Implement Procurement Policy to enhance support for local suppliers Implement a Community Engagement Policy to formalise local support Progress a Global Volunteering Program 	<ul style="list-style-type: none"> ✓ ✓ In Progress 	<ul style="list-style-type: none"> Outperform industry growth Implement Community Engagement Policy to enhance local support Finalise an approach for implementation of a global volunteering program

GOVERNANCE

Material Topics	FY23 Key Targets	FY23 Performance	FY24 Key Targets
Corporate Governance & Risk	<ul style="list-style-type: none"> Refresh Sustainability Policy 	✓	<ul style="list-style-type: none"> Expansion of modern slavery training to broader stakeholder group
Human Rights & Modern Slavery	<ul style="list-style-type: none"> ESG Committee to become sub-committee of Audit, Risk and Compliance Committee 	✓	<ul style="list-style-type: none"> Introduction of gratuities reporting modules across whole business
Privacy & Data Security	<ul style="list-style-type: none"> Implement modern slavery awareness training for supply chain team 	✓	<ul style="list-style-type: none"> Completion of roll-out of updated third party due diligence system across whole business Questionnaires on Modern Slavery to top 40 suppliers





How We Govern ESG Risks and Opportunities

Our Board of Directors has ultimate responsibility for IMDEX's Sustainability Policy, performance and management of sustainability risks and opportunities.

During FY23 our ESG Committee became a sub-committee of the Audit, Risk & Compliance Committee (ARCC) who oversee policies, management systems, performance, reporting and compliance related to health, safety, environment and community.

The ESG Committee spans multiple functions and serves as a forum for information sharing and idea generation with a specific focus on activities related to enhancing disclosure, stakeholder engagement and embedding sustainability throughout our global business.

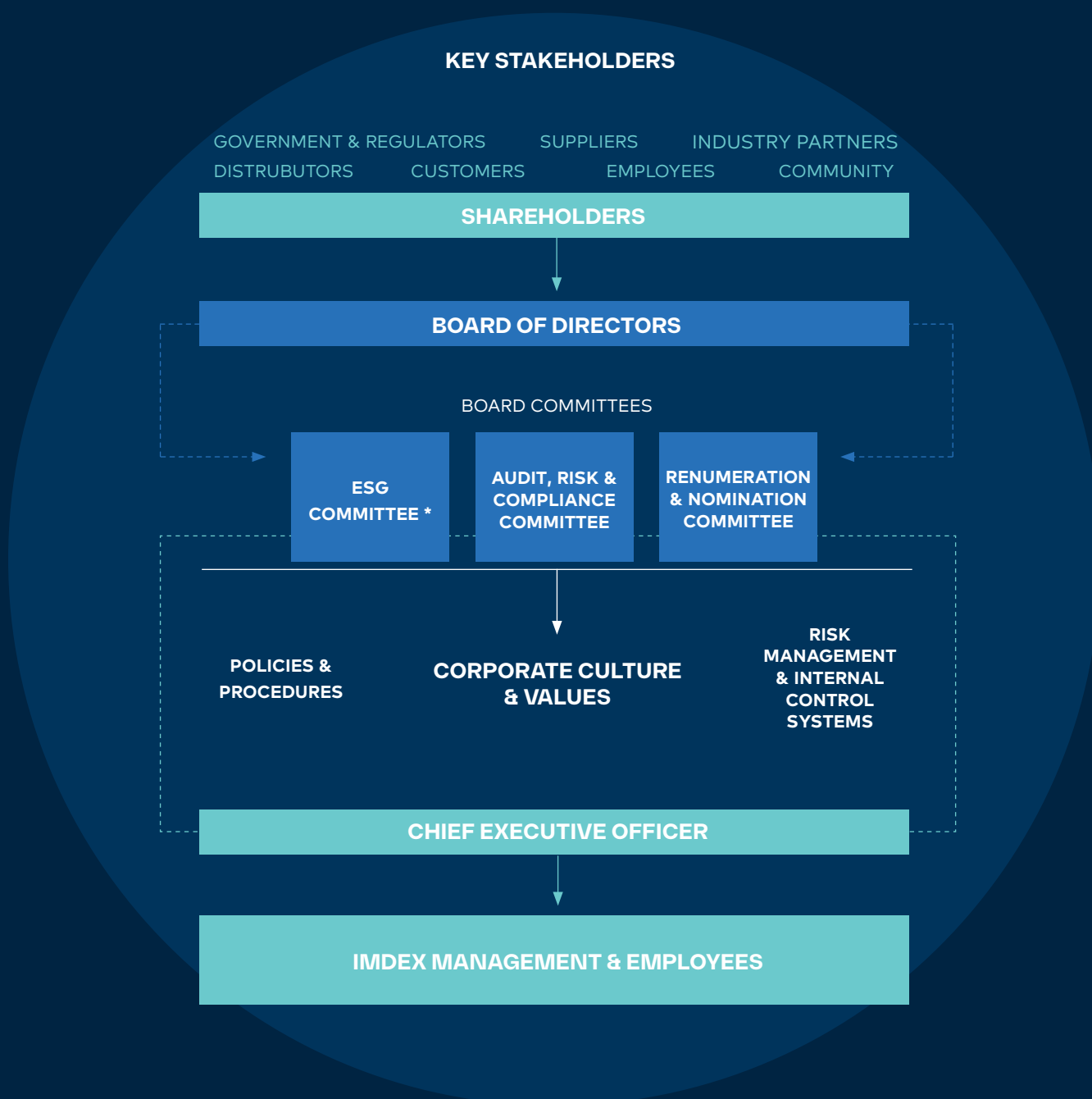
Towards the end of FY23 a Sustainability Committee reporting directly to the Board was established for commencement in FY24.

Commencing in FY24 a separate Sustainability Committee will assist the Board in:

- Fulfilling its responsibilities across environmental management, social performance, community engagement and ethical business practices
- Monitoring climate related risks and opportunities
- Overseeing progress towards sustainability commitments
- Determining the ESG related objectives for the Company to be measured against having reference to the "Diversity Policy"

Stakeholders

We are committed to providing our stakeholders with transparent and timely engagement to enhance and support their experience with our products and business globally. The table on page 59 outlines how we engage and collaborate with our key stakeholder groups.



In FY24 the ESG Committee will become the Sustainability Committee reporting directly to the Board

How We Engage With Stakeholders

At IMDEX, we are committed to providing all our stakeholder groups with transparent and genuine engagement to enhance and support their experience with our products and business globally.

The table below outlines how we engage and collaborate with our key stakeholder groups and the steps we take to ensure we are listening to and meeting their needs.

ENVIRONMENT	HOW WE ENGAGE	WHAT WE DO
Customers	Regular communication with regional sales and customer facing employees to ensure we understand and are meeting their needs	<ul style="list-style-type: none"> • Customer surveys and feedback opportunities • Site visits and product training with IMDEX experts • Discuss and collaborate on product improvements and changes • Develop and enhance products based on customers' changing needs
Employees	<p>Comprehensive employee performance review and feedback process, with opportunity to define goals and development opportunities</p> <p>Informal engagement opportunities through employee groups and committees</p>	<ul style="list-style-type: none"> • Cascade of Objectives and Key Results down through Annual performance reviews and OKR setting process • Quarterly employee recognition awards for exceptional performance • Newly implemented employee-nominated value based awards • Quarterly CEO/COO staff briefings to all regions • Quarterly strategy updates from executive team to all regions recognising championing of IMDEX values • Biennial employee engagement survey • Employee-led Diversity & Inclusion Council • Employee reference groups coordinated and run by IMDEX employees
Investors and Finance Providers	<p>Regular engagement with key stakeholders in investment community</p> <p>Commitment to informing investors and finance providers on company changes and developments on regular basis</p>	<ul style="list-style-type: none"> • Full year and half year results briefings • Investor roadshows • Annual General Meetings • Investor briefings • Launch of Sustainability Reporting in 2021 • Technical symposium for investors
Suppliers and Distributors	Regular engagement with suppliers and distributors globally, through face-to-face meetings and electronic communication as required	<ul style="list-style-type: none"> • Legal, risk and regulatory teams provide ongoing review of global supply and distribution laws and regulations. • Continuous monitoring of Anti-bribery and Corruption laws globally
Government – local, state, national, global	Sustained engagement with all levels of government and regulators as required in all regions that we operate	<ul style="list-style-type: none"> • Regular and ongoing government engagement • Submission to relevant local, state, national and global consultation processes
Industry partners	Regular engagement with industry partners, research bodies, non-government organisations	<ul style="list-style-type: none"> • Partnerships with a range of industry committees and research bodies committed to developing and enhancing mining technology and practices globally • Representation on industry boards, research bodies and at industry events as thought-leaders, speakers and experts
Joint Development Partners	Collaboration with customers and industry partners to identify joint development opportunities, with the goal of enhancing and improving the global mining industry through efficiency and sustainability	<ul style="list-style-type: none"> • Identify and deliver trials with resource companies, to test, define and improve IMDEX products and technology
Community	Regular engagement with local communities to ensure they are informed of who IMDEX is and the opportunities we may represent to them	<ul style="list-style-type: none"> • Local social media content for each region • Commitment to local employment opportunities • Partnerships with local Universities to offer internships and employment to emerging talent • Monitoring of local political and socio-economic issues • Community partnerships to support relevant local organisations

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.

PEOPLE

Health, Safety & Wellbeing

Occupational health and safety management system

We have established and independently certified Operational Excellence Management System (OEMS). The scope of our OEMS includes our operations, activities, products, and services within the resources industry

The IMDEX OEMS represents our commitment to excellence in all aspects of our business operations. All our leaders are accountable for ensuring that we are improving our processes, systems, and products. Our objective is to provide a safe system of work for our people and to meet the evolving needs of our customers and stakeholders.

As with all successful management systems, our OEMS is the result of a collaborative effort from our dedicated team. It is designed to foster a culture of continuous improvement, where each worker is empowered to contribute to the success of our business.

The OEMS is aligned with our IMDEX vision, values, policies and internationally recognised standards including:

- ISO 9001 - Quality management systems
- ISO 45001 - Occupational health and safety management systems
- ISO 14001 - Environmental management systems
- ISO 27001 - Information security, cybersecurity, and privacy protection.

The IMDEX HSE Policy is endorsed by our CEO and is consistent with the nature, scope, and risk profile of our organisation. The HSE policy is the foundation on which our HSE systems, objectives and targets are established. Its continual review ensures it remains relevant and capable of supporting successful HSE outcomes in line with legislative, regulatory and other applicable requirements.

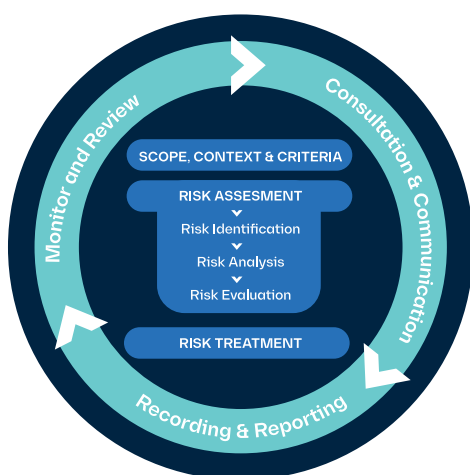
We are committed to meeting the legislative and regulatory requirements, codes of practice, and industry best practice of the regions in which we operate. IMDEX maintains multiple subscriptions globally that monitor legislative change, to keep us well informed.

Where changes to legislative, regulatory and other requirements arise, they are communicated to stakeholders. Internal policies, standards, procedures, and checklists are revised to meet the requirements of the change.

IMDEX has engaged a Global HSE Manager and regional HSE advisors, tasked with responsibility of maintaining, monitoring, measuring, evaluating, reporting, coaching and facilitating improvement of the OEMS. They support operations managers, in consultation with workers, to establish safe systems of work, including ongoing hazard identification risk assessment and control activities to ensure the organisational risks remain at ALARP.

Hazard identification, risk assessment and incident investigation

IMDEX identifies and manages HSE hazards and organisational risks associated with its activities to eliminate or minimise the likelihood and consequence of incidents in accordance with the principals of ISO 31000.



Hazards and risks are actively and systematically identified and controlled to ALARP through risk workshops and the application of the hierarchy of controls.

Processes are established to identify work-related hazards and assess risks on a routine and non-routine basis. The hierarchy of controls is applied in order to eliminate hazards and minimize risks. Routine risk management methodologies include preliminary hazard analysis (PHA), detailed hazard analysis (DHA) and HSE risk workshops. Non-routine management methodologies include safety observations, JHAs and Take 5s.

HSE engagement represents the level of participation and commitment employees have in meeting our HSE vision, policies and objectives. It is the active participation of all employees in identifying hazards and mitigating risks before they result in incident or injury. Importantly, HSE engagement establishes a culture where health and safety risks are identified and resolved. HSE engagement develops a state of awareness where people are encouraged to think about what could go wrong and how to prevent adverse impacts before they occur.

Examples include:

- Leadership safety walks
- Risk assessments
- HSE observations
- Ergonomics assessments
- Workplace inspections.

Hazard identification and risk management procedures, including reviews of critical controls, are subject to scheduled routine audits to verify compliance and effectiveness and to support continual improvement.



As a certified system, our IMDEX OEMS is subject to the following routine internal and third-party auditing to ensure effective implementation, ongoing compliance, suitability and continual safety improvement.

- Our IMDEX risk management standard provides a uniform and systematic process for the conduct of effective risk management that identifies, assesses, and then adopts control strategies to reduce risk to as low as reasonably practicable while enabling the enterprise to take advantage of potential opportunities. This standard complements and links directly to the operational and enterprise risk tools, which provide the mechanism for the ongoing recording, management and communication of risk issues/events at all levels and across all parts of the organisation.
- IMDEX has developed a range of training content, covering hazard, risk, and incident management, available to all employees online in IMDEX Academy. All hazards and incidents are reported and managed in the online IMDEX Quality Alert system, by assigning to the responsible leader and tagging in subject matter experts as 'watchers'. The overarching system is monitored and managed by Quality Engineers and regional HSE Coordinators.
- Our Leaders perform physical and virtual 'Manager Safety Walkthroughs' of the work environment, engaging with team members and promoting safe work practices. Managers lead, own, and regularly review the risk assessments and registers that relate to their teams. Learnings gained from these events are discussed in team meetings, communicated to the group via Safety Alerts and form part of regular management review.
- The identification and control of workplace hazards during both routine and non-routine tasks is achieved using a variety of online and app based 'tools', from simple Take5s and Safety Observations to more detailed workplace inspections and job safety analysis (JSA).
- The IMDEX HSE Policy and 'ImSafe 10 Safety Principles' promotes workers' rights and obligation to stop work if they feel unsafe, or observe and unsafe act, which is backed by the IMDEX 'Speak Up' Policy which protects them against reprisal.
- IMDEX adopted the ICAM methodology to investigate serious incidents, identify causal factors and implement improvement opportunities.



Occupational health services

At IMDEX we aim to promote a healthy lifestyle and provide the necessary medical treatment and support for employees returning to work in the event of work-related and non-work-related injuries.

A risk-based approach is used to assess employees' fitness for work. This includes undergoing a medical assessment for safety-critical positions or as a pre-employment or pre-transfer requirement. Confidentiality of medical records is maintained in accordance with our 27001 Information security certification.

It is imperative our employees present to work in a fit and healthy state to perform their required duties and have established the fatigue management and drug and alcohol policy to communicate this expectation and support a safe work environment.

In the interest of preparedness and employee wellbeing, we made provisions for timely medical services for all employees who sustain a work-related injury, illness, or other adverse health effects. Arrangements are established and maintained for injury management and rehabilitation of workers following a work-related injury, illness, or other adverse health effects.

Provisions are made for worker access to first aid facilities, defibs, adequate medical services, relevant health monitoring programs and Employee Assistance Programs (EAP).

Our EAP allows employees to feel comfortable knowing that they and their immediate family members can confidentially discuss any work or personal issues that are an inevitable part of life. Additionally, they have access to the LifeWorks Wellbeing Platform, providing resources to encourage both physical and mental health.

We maintain worker health and wellbeing training through IMDEX Academy and have established an internal wellbeing Peer Supporter group that are trained on how to support workers in need.

Preventative and corrective measures are implemented to manage risks associated with fitness for work, including alcohol and drug use, fatigue, wellbeing, and medical conditions.

Worker participation, consultation and communication on occupational health and safety

We promote effective, transparent and open communication, consultation and participation with stakeholders across our Company.

Our strong corporate culture is a product of active employee engagement and respect amongst our workforce. Our IMDEX HSE Engagement program aims to engage employee participation in improving our safety performance. The early identification and resolution of HSE issues, allows us to apply risk control measures to identified hazards and apply improvement initiatives to enhance organisational safety and employee health and wellbeing.

With a focus on continually building the teams psychological safety, the communication and consultation vehicles employed:

- Meetings - Toolbox meetings, HSE meetings, Operational meetings, Stop work meetings, Townhalls (quarterly downloads)
- Informal communications
- Intranet
- Safety notice boards and posters

Multiple mechanisms exist to resolve conflicts where they arise, through consultation and participation with stakeholders and their intermediaries, including Speeki, an easy-to-use app for workers to report or raise concerns on misconduct, fraud, dishonesty, unethical or unacceptable behaviour, corruption.





Worker training on occupational health and safety

Establishing a strong safety culture is critical for safe operations and the success of our Company. A key part of establishing and maintaining a strong safety culture is investing in worker training and competence.

Everyone at IMDEX is trained with the required skills and knowledge to competently perform their tasks in a safe, healthy and environmentally sustainable manner.

IMDEX Academy

Operations Managers and HSE Representatives identify training needs in consultation with workers for all job families at IMDEX. They consult with subject matter experts and review industry best practices to understand the inherent requirements of each role and the associated work-related hazards, hazardous activities, or hazardous situations.

From the TNA process, the IMDEX Academy team has developed a suite of compulsory HSE training courses for each job family. The courses are assigned to all workers in the job family to complete as part of their onboarding process within 30 days of commencement with IMDEX.

To determine whether the individual has obtained the required knowledge as per the learning outcomes, for most courses, the individual is required to complete a short assessment at the conclusion of the course before being provided with a certification indicating course completion. The certification is valid for a set period. Following that time, employees are then then required to regain their certification by re-completing the course.

The courses are available via the online IMDEX Academy Learning Platform and are available in all languages spoken at IMDEX. The courses are provided free of charge and workers are expected to complete the courses during paid working hours.

Should they wish to extend their learning, workers have access to all HSE courses on the IMDEX Academy Platform, regardless of whether the course is assigned to them as compulsory.

Site Inductions

As part of their onboarding, all workers commencing with IMDEX are provided a facility induction by a HSE Representative or their manager. The induction is site specific and highlights any particular risks and control measures. The induction also includes where to access HSE information, evacuation measures and arrangements for first aid in the case of an incident.





Promotion of worker health

Everyone at IMDEX has access to our EAP, provided by Lifeworks. This support is available for the duration of their employment and up to 3 months following employment.

Our EAP includes professional counselling and support services (via online web chat, phone call and face-to-face) for employees or their immediate family to confidentially discuss any work or personal issues. Employees can access the online LifeWorks Total Wellbeing Platform, which features articles and resources related to all aspects of wellbeing, a fitness training program with customised workouts and a fitness tracker and personal self-assessments for individuals to check-in on their physical, financial, social and emotional wellbeing. The platform also offers discounts for some healthcare-related services including gyms, health insurance and medical clinics.

All services accessed by employees (or their family members) remains confidential between Telus Health and the employee only.

Health insurance is provided in the USA, South Africa, Chile, Brazil, Argentina, Peru and Mexico. We do not provide health insurance coverage in other countries we operate because either:

- IMDEX is not the employer of workers in these regions
- The employees already have access to high-quality and accessible health services provided by the government (e.g., UK, Australia, Canada, NZ and Germany).

We ensure that any employee personal health-related information, which must be recorded is maintained on the confidential Human Resources Information System (HRIS). Record of participation in voluntary health promotion services and programs is deleted upon program/service completion.



Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

We have established, documented and maintained the stage gate process that considers compliance, safety and environmental impacts of IMDEX products through their lifecycle.

The planning, design, manufacture, commercialisation and production of products, considers known and projected quality, health, safety, environmental, social, security and compliance aspects and risks and considers provisions for maintenance, modification and disposal.

Opportunities for improvement are communicated and shared across business units and geographic locations.

Verification and validation reviews are conducted and documented to confirm that:

- Product is in accordance with specifications
- Product integrity measures are in place
- Risk management recommendations have been addressed and required actions taken
- Training of workers has been accomplished and documented
- Regulatory, customer, and/or other requirements are met.

Provisions are made for:

- Safety in design including considerations of the physical, biomechanical, cognitive, and psychosocial characteristics of the work and the needs and capabilities of workers
- Functional safety assessments
- Compliance legislative and regulatory requirements in the design and manufacture of goods
- Supply of SDS for drilling optimisation products
- Safe work guidance to customers both documented and in the form of site support
- Established product training modules that include safe storage, handling and use
- Incident investigations and root cause analysis.

Workers covered by an occupational health and safety management system

Our IMDEX Safety System is applicable to all employees within all regions, including contractors where we have prevailing influence (workers who are not employees but whose work and/or workplace is controlled by the organisation), with exception of the new acquisition Devico. We are currently working through the integration process.



IMDEX Wellness Programs and Initiatives

To support our employees and their psychosocial wellbeing, IMDEX offers a variety of initiatives via the Caring for our Community Program.

We are proud to have an active group of 22 Peer Supporters globally. The Peer Supporter program has been running successfully for over two years and aligns with our IMDEX Value - Together we Thrive. During FY23, Peer Supporters hosted an awareness session on our Employee Assistance and Wellbeing Programs provided by Telus Health. All employees and their families have access to counselling and coaching services, with 24/7 access.

During October, we recognised World Mental Health Month. Several activities were held to raise awareness regarding mental health and promote positive wellbeing. All regions tuned in to virtual sessions delivered by mental health experts on the topic of 'Prioritisation and How We Can Deal with Stress and Anxiety in Our Work'.

At our Head Office, we blended our own healthy fruit smoothies using Blender Bikes. This fruit smoothie theme was also celebrated in Africa. Other activities included yoga classes, in-chair massages at work, and team lunches to connect socially with colleagues.



Blender Bike as part of World Mental Health Week

Flexible, Anywhere Work

In September 2022, we launched 'IMDEX Flex', our Global Flexible Working Policy and Global Flexible Working Procedure. IMDEX Flex is a cooperative arrangement between leaders and their team members that focuses on the 'what' and 'how' of what our employees do, not the 'where'. By enabling flexibility, we aim to create a work environment that ensures our people feel engaged and can perform at their best, whilst supporting individual wellbeing.

We have seen excellent uptake of IMDEX Flex in all of our regions. Examples include a nine-day fortnight schedule, job sharing and varied times of works.

Formalising our commitment to flexible working has contributed to a stronger Employee Value Proposition and maintains our position as a preferred employer. Customer centricity remains our key priority, and teams have successfully adopted IMDEX Flex arrangements whilst continuing to 'Go beyond' for our customers, ensuring quality outcomes.



Women in Mining and Resources Summit

People & Culture

During FY23, our global workforce increased by 229 to 851 fulltime employees.

This 36.8% uplift was largely due to the integration of 187 Devico employees. The balance was engaged to support strategic growth areas including the IMDEX Mining Technology business unit and software.

The average workforce turnover of 14.6% reduced from 16% in FY22. For our newly acquired businesses, we have provided a structured on-boarding plan, which enabled the retention of talent. The labour market remained tight; however, we have a strong Employee Value Proposition and recruitment initiatives to attract and retain talent.



Devico team members



FY23 interns and graduates

A Great Place to Work

We utilise Gallup's Employee Engagement Survey to measure employee engagement at IMDEX every second year. Following our most recent survey in November 2021, managers were provided with their team-level engagement results to conduct action-planning workshops and initiate constructive conversations around employee engagement with their team. The workshops enabled managers and teams to better understand why certain themes prevailed in their team results, identify team strengths and areas of focus to ultimately determine a local team-level action plan to drive engagement.

Our focus for FY23 was embedding the local team-level action plans. To ensure that employee engagement stayed at the forefront of mind and to hold managers and teams accountable for driving engagement at a local level, all employees were required to conduct engagement pulse check-ins with their leader. This activity encouraged employees to reflect and provide feedback on their own level of engagement and consider how to boost engagement and better their employee experience.

We look forward to conducting the third Gallup Employee Engagement survey in February.

Grow Capabilities of our people

Kickstart a Career @ IMDEX

As the competition for talent grows, we continually identify innovative ways to source talent. This year, we launched the Kickstart a Career at IMDEX program which creates opportunities for new to industry talent through traineeships and internships.

Partnering with EDGE Employment solutions and Programmed, we have created opportunities for trainees from diverse backgrounds to gain their qualifications whilst being supported with on-the-job technical learning. Our first two trainees completed their onsite training and are now permanent members of our manufacturing team in Balcatta. A further two trainees have commenced their Traineeships in Balcatta and Hope Valley.

The IMDEX Internship Program saw 15 interns employed in Data Science, Human Resources, Engineering, Operations, Quality and Software Development. Interns work on a specific project and are fully supervised and supported by leaders. At the conclusion of the program, the interns presented their business benefitting projects to an audience of 50 IMDEX personnel.

Lastly, we expanded our presence at student career fairs, running booths at both the Curtin University Career Fair, The Big Meet in Perth, and the Cal Poly Career Fair in California, to promote our Kickstart a Career opportunities to university students.

Attracting future leaders

At IMDEX, we recognise that students will be our future industry leaders and that community engagement is important. We want to support activities that encourage students to be problem solvers and challenge the status quo. But moreover, we want them to see that they can have a future in STEM and the resources industry.

IMDEX was proud to be an industry sponsor for two events targeting primary and high school students in FY23. Through the 'Game Changers Awards' competition, students determine innovative solutions to the world's challenges, addressing the United Nation Sustainable Development Goals. IMDEX hosted an exhibition stall at the Game Changers Awards Project Showcase event, with interactive activities sharing with students some of the different ways we prioritise sustainability and utilise STEM skills in our workplace.



Curtin University Career Fair



Game Changer Awards - supporting STEM



Chief Executive Women Dinner



WA Business News RISE Awards

We also ran a workshop at 'Get Into Resources', a student expo showcasing the mining and resources industry to Year 10 students in Perth, Western Australia. This was an opportunity to spark curiosity about our industry and demonstrate some of the different ways students can be a part of it. Our workshop: "Robotics in Action – the IMDEX BLASTDOG" displayed the BLASTDOG™ technology on site and the students got to try the hands-on operational simulator. Throughout the 3 days, over 200 students attended our workshop facilitated by our Field Operations team.

Recognising and rewarding our people

In FY23, both the High5 Award Program and Impact Award Program were utilised by our employees, striving towards a culture where we recognise, acknowledge, and celebrate each other's contributions and achievements wherever possible.

Our IMDEX High5 Award Program enables employees to spontaneously acknowledge peers who

demonstrate core behaviours aligned to our IMDEX Values. This award has been well supported and celebrates employees who champion our values in the way they work. In FY23, we had over 400 High5 Award nominations from across the globe. For over 85% of nominations, managers of the nominated individual opted to elevate the acknowledgement by providing their employee with a tangible reward of a gift card.

Our IMDEX Impact Award Program recognises employees who demonstrate extraordinary achievements within our business. In FY23 the XCo Selection Panel were delighted to review nominations highlighting successes of employees and teams in a variety of roles across all corners of the globe in contributing to achieving IMDEX's business goals. From 18 nominations globally, 13 nominations were selected as successful, comprising 6 team nominations (26 employees) and 7 individual nominations. These employees were tangibly rewarded for their positive impact in our business.



IMDEX Paint and Sip evening to raise awareness for mental health



26th World Mining Congress - Brisbane, Australia

Diversity & Inclusion

This year, the Board approved our first Diversity, Equity and Inclusion (DEI) strategy. As part of this strategy, we kicked off our first global initiative, the Better Together inclusion training workshops.

The workshop is designed to raise awareness and encourage the calling out of non-inclusive behaviours. The workshop focuses on creating a more inclusive culture, addressing biases, and ensuring 'speaking up' is part of our culture with informal and formal mechanisms in place.

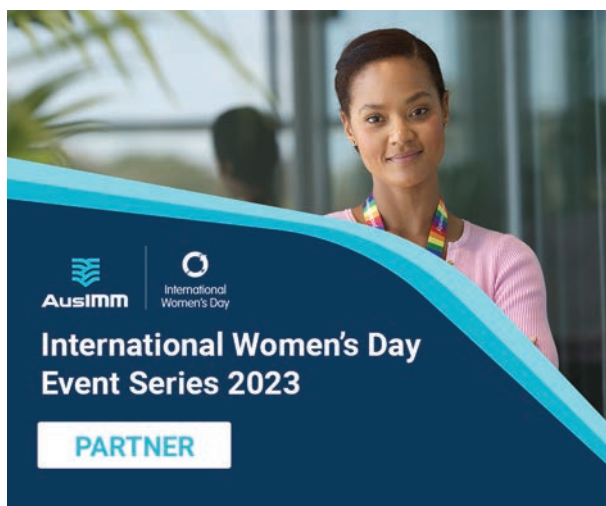
In addition to these workshops, IMDEX launched the iAuditor Psychosocial Assessment and Improvement Form that provides an additional platform to call out behaviours that are not aligned to our IMDEX values. This allows employees to identify potential issues relating to the psychosocial safety of those within the workplace and provides an opportunity for employees to suggest any improvements. Psychosocial safety includes anything that could cause psychological harm to another, including affecting one's mental health such as burnout, job demands, and team interactions.

To date, 426 employees across APAC, NAM and EMEA have completed the Better Together inclusion workshops, with very positive feedback from employees. Workshops will continue to be delivered in all regions.

We also formed IMDEX's first Diversity, Equity & Inclusion Council made up of global representatives volunteering their time to create positive change in the DEI space. Since the inaugural meeting of the Council, IMDEX hosted an event for International Women's Day celebrating the women across our business who shared their thoughtful insights around gender diversity and equity. IMDEX employees also shared via the DEI survey that raising cultural awareness in an important topic and therefore we held an inaugural event to celebrate IMDEX's Cultural Diversity with guests sharing their own cultural experiences in a fun and interactive session.



Mining and Technology Interns



IMDEX Germany joined Charta der Vielfalt e.V. an initiative designed to promote the recognition, appreciation and integration of diversity into Germany's business culture



Refreshing our Employer Value Proposition

An attractive and innovative Employer Brand and Employer Value Proposition (EVP) will enable IMDEX to attract and retain top talent in the competitive job market. With the new values and corporate brand now embedded in the business, cultural and employee surveys undertaken, IMDEX has identified the need to articulate the EVP and develop a global employer brand that unifies business strategy, culture, purpose, and values. This will support in positioning IMDEX in the market as an employer for prospective candidates.

During FY23, we embarked on a project to refresh our current Employer Brand and EVP. Global regional representatives provided input into an updated EVP that would differentiate IMDEX in the talent market.

Transforming Learning Culture

IMDEX continues to invest in learning to support capability growth, retain talent and to strengthen the EVP. The IMDEX Learning Strategy was endorsed by the Executive team in FY23 and will deliver contemporary, high-impact, high-value learning solutions that enable our most critical teams to access learning in the 'flow of work'.

Transforming the learning model was evidenced by the outcomes achieved on BLASTDOG™. Building capability of the Field Operators to operate the equipment was instrumental to the success of BLASTDOG™ during customer trials. Overhauling traditional methods of training delivery, the IMDEX L&D team leveraged cutting edge technology, via the Hindsight video learning platform to deploy micro-learning to the field. Additionally, a learning simulation tool was developed to enable new Operators to safely and efficiently build capability to operate BLASTDOG™ prior to mobilisation to site.

Workplace Gender Equality Act

In accordance with the requirements of the Workplace Gender Equality Act 2012 (Act), on Wednesday, 14 June 2023, IMDEX Limited lodged its annual public report with the Workplace Gender Equality Agency (Agency).

IMDEX has been recognised for the following awards:

- Inclusion on the Charter of Diversity in Germany in recognition of its commitment to DEI in Europe
- Excellence Awardee in the 2023 Australian HR Awards for being an Employer of Choice.
- Finalist for the Employer of the Year at the Western Australian Business News RISE Business Awards.

People – Key Data

	2023	2022
IMDEX Injuries Frequency Rates (LTIFR & TRIFR)		
LTIFR	0.42	0.77
TRIFR	0.83	2.32

	2023	2022
Number of staff by gender		
Male	678	480
Female	187	151
Total	865¹	631

Employment contract (number of staff by employment type and by gender)		
Permanent – Male	666	468
Permanent – Female	184	147
Permanent Total	850	615
Temporary – Male	12	12
Temporary – Female	3	4
Temporary total	15	16
Non-guaranteed - Male	7	3
Non-guaranteed - Female	1	1
Non-guaranteed total	8	4
Full time - Male	665	473
Full time - Female	167	132
Full time total	832	605
Part-time – Male	13	7
Part-time – Female	20	19
Part-time Total	33	26

Number of staff by employment category		
Support – Male	258	110
Support – Female	59	49
Supervisory/Professional - Male	230	215
Supervisory/Professional - Female	72	55
Management / Senior Professional - Male	150	120
Management / Senior Professional - Female	54	39
Senior Management - Male	29	23
Senior Management - Female	5	4
Executive - Male	15	13
Executive - Female	3	3
Total	875	631
Board Members - Male	3	
Board Members - Female	2	

¹ 851 full time equivalents

	2023	2022
Employment region (number of staff by country)		
Asia Pacific	341	312
Africa and Middle East	61	55
Europe	119	35
South America	170	99
North America	174	130
Total	865	631

Staff age distribution (%)		
<30 (years)	10%	9%
30 - 50 (years)	64%	68%
50+ (years)	24%	23%

	2023	2022
Employee turnover (number)		
Involuntary - Male	25	24
Involuntary - Female	6	7
Involuntary - Unknown	1	0
Voluntary - Male	54	60
Voluntary - Female	21	21
Voluntary - Unknown	0	0
Total - Male	79	84
Total - Female	27	28
Total - Unknown	1	0
Total	107	112

Employee turnover (rate)		
Male employees	14.30%	17.20%
Female employees	16.40%	16.90%

Turnover by region (moving annual total)		
Asia Pacific	57	44
Africa	4	7
Europe	4	3
South America	22	24
North America and Canada	20	29
Total	107	107

Returning from parental leave (percentage)		
Australia	100%	100%

	2023	2022
Employee turnover by age group (Moving annual total)		
<30	14	20
30 - 50	69	61
50+	24	26

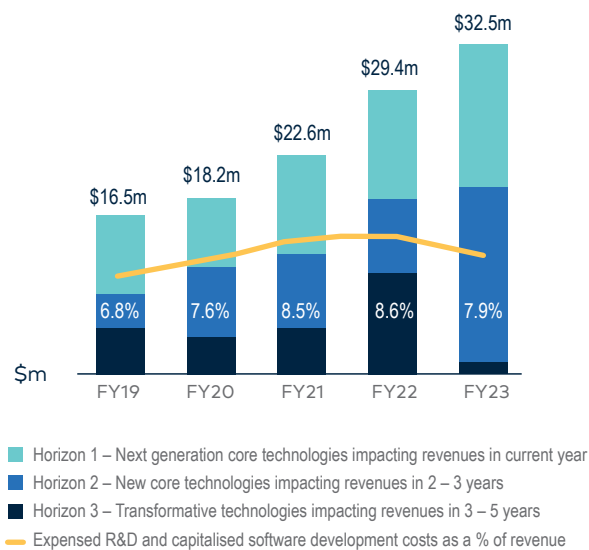
Training		
Total hours training	13,376.50	14,910.00
Average per person training hours	18.62	23.3

Percentage of employees receiving regular performance and career development reviews, by gender (%)		
Male	100	98.16
Female	100	97.06

Percentage of employees receiving regular performance and career development reviews, by employee category (%)		
Support	100	98.55
Supervisory/Professional	100	98.44
Management / Senior Professional	100	92
Senior Management	100	98.01
Executive	100	93.75



TOTAL R&D SPEND (\$m)



Concept

Concept proposal, technology options, draft business case and proof of concept for high risk items.

Project Planning

Requirements, plan, budget, architecture and initial assessment of safety, FTO and compliance.

INNOVATION

Technology Solutions

Ongoing investment in research and development is a critical part of our DNA at IMDEX. We consistently invest in our three broad product categories, Drilling Optimisation, Rock Knowledge Sensors and Real-Time Data & Analytics, to maintain our technology leadership and to continue to deliver value to our customers. This investment is allocated across three horizons to ensure we are continuously improving our core product offering, developing new products for existing and adjacent markets and developing engineering technologies to enhance the global minerals industry.

Our development stage gate process is highly disciplined. For projects to move through the stages to become IMDEX products, they must meet technology, operational and financial hurdles. Concurrently, all projects are methodically assessed for their sustainability impact on both our business and our customers' businesses.

During FY23, 27.4m was expensed on product development and \$5.1m was capitalised in relation to software. The total R&D spend represents 7.9% of total revenue. This overall investment remains well within industry benchmarks and is conservative as a growth company.

EXPENSED V CAPITALISED R&D (\$m)

(\$m)	FY23	FY22
R&D Expensed	27.4	26.2
R&D Capitalised (software)	5.1	3.3
Total	32.5	29.5

- IMDEX is a growth business committed to R&D in all market conditions
- All R&D spend is expensed except spend associated with software development which is capitalised
- Investment in Horizon 2 increased during FY23 as BLASTDOG™ moved from Horizon 3
- Investment in Horizon 1 increased during FY22 and FY23 due to commercialisation of next generation core products in FY24

Disciplined Stage Gate Development Process

Engineering Prototype

Detailed design, build of functional prototypes, field testing, software build, build out, IP position, standards and safety compliance.

Pilot Production

Minor product changes, pilot production, full marketing product launch.

End of Life

Commercial Prototype

Commercial ready (MVP or Beta) version of product, testing over full range of use cases, testing and validation of value proposition and go to market model.

Production

Full production and support and product improvement cycle.





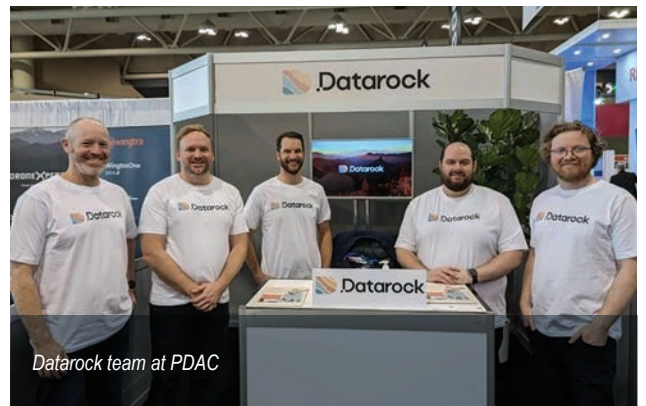
Michelle Carey presenting Ongoing Commitment to GCA & STEM Promotion Award



Expomin, Santiago Chile



IMDEX Open Day



Datarock team at PDAC



IMDEX Open Day



Dr Michelle Carey at IMARC



Mongolia Mining Presentation



Paul House with The Hon. Bill Johnston WA Minister for Mines and Petroleum

Thought Leadership & External Memberships

Our Company regularly contributes to industry events and publications.

We also collaborate with governments, industry associations, universities and research centres to optimise the global minerals industry. During FY23 we were a proud partner and participant in the following organisations and projects:

American Exploration and Mining Association (AEMA)

AEMA is a 125-year-old, 1,800+ member, national association representing the minerals industry. AEMA is the recognized national voice for exploration, the junior mining sector, maintaining access to public lands, and represents the entire mining life cycle, from exploration through production to reclamation and closure.

AMIRA

An independent global not for profit organisation representing members from the resources industry seeking to enhance, sustain and deliver transformational research and development, innovation, and implementation to the benefit of society.

Arizona Mining Industry Gets Our Support (AMIGOS)

AMIGOS is an important collection of companies spanning the northern hemisphere; from New Jersey and South Carolina, up to our Canadian neighbours in British Columbia, and across the United States to California and Texas. For almost forty years, AMIGOS has worked to provide a better business environment for mining.

AROSE

Australian Remote Operations for Space and Earth is a not-for-profit, industry-led organisation with a vision for Australia to be the trusted leader in Remote Operations science, technology and service, on Earth and in Space

Association of Applied Geochemists (AAG)

AAG is an international geoscience organisation of professionals in industry, academia and government with a principal focus on mineral exploration and the associated fields of environment and analysis. AAG promotes the advancement of knowledge through its international journal (GEEA), newsletter ('Explore'), regular symposia and sponsorship of students.

Association for Mineral Exploration (AME)

AME promotes a healthy environment and business climate for the minerals exploration industry through leadership, advocacy and partnerships. AME members work with governments and other user groups to ensure that low-impact mineral exploration activities may occur in a variety of landscapes while respecting the physical environment.

Australian Drilling Industry Association (ADIA)

The ADIA provides training, resources, conferences and seminars, industry news and advocacy for members.

AusIMM

AusIMM is the peak body for people working in the resources sector. It shapes careers, showcases leadership, creates communities and upholds standards.

Austmine

A leading not-for-profit industry association for the Australian Mining Equipment, Technology and Services (METS) sector. Austmine drives the success of members by providing opportunities to build relationships, understand industry needs, boost industry profiles and access domestic and international supply chains

Bradshaw Research Institute for Minerals and Mining (BRIMM)

BRIMM creates multidisciplinary teams of leading researchers to work with industry to find solutions to the biggest challenges facing the mining industry and trains the next generation of multidisciplinary professionals

British Columbia University – Mineral Deposit Research Unity (MDRU)

MDRU is dependent on our members and designed to solve mineral exploration-related challenges while training the next generation of industry professionals. Learn more about the benefits of membership.

Canadian Diamond Drilling Association (CDDA)

The CDDA deals with governmental departments and agencies to keep members abreast of the latest regulatory changes affecting the industry and promotes the well-being of the mineral industry in Canada.

Centre of Exploration Targeting at the University of Western Australia

Where the pressing problems of the mineral exploration industry can be addressed by teams of researchers using their collective expertise to develop innovative research solutions.

Chamber of Minerals and Energy of Western Australia

As the leading advocate for the Western Australian resources sector, CME's strategic priorities of Contribution, Capability and Competitiveness provide the mandate to lead proactive and focused advocacy for the resource sector and share stories of capability, competitiveness and contribution with conviction.

Copper for Tomorrow CRC

CRC Copper for Tomorrow CRC will accelerate the efforts of the Australian copper industry to position and incentivise the industry to double copper production by 2050 and make ESG a key value driver.

CSIRO

The Commonwealth Scientific and Industrial Research Organisation is an Australian Government agency responsible for scientific research and works with leading organisations around the world.

Curtin University

An Australian public research university based in Bentley, Perth, Western Australia.

Energy Club WA

The Energy Club of WA is an industry network and educational resource for the energy sector in Western Australia.

Geohug

Geohug is an initiative to connect, share ideas, information & knowledge with the wider geoscience community. We do this through webinars, networking & friendly conversation.

The Geological Association of Canada (GAC®)

GAC® is a national multi-disciplinary geoscience organisation with representatives in all Canadian Territories and Provinces as well as the United States, Europe and other parts of the world. The GAC® makes significant contributions to the promotion and development of the geological sciences in Canada through publications, awards, conferences, meetings and exhibitions.

Global Mining Guidelines Group

The Global Mining Guidelines Group (GMG) facilitates and drives the application, utilisation and development of global mining standards and guidelines as positive tools for the Global Mining Industry.

Geological Society of Nevada (GSN)

GSN is a non-profit scientific society whose principal mission is to promote the advancement of the geological sciences, especially as they relate to Nevada. The Society encourages the dissemination of scientific and practical knowledge through semiformal presentations, field trips and symposia as well as by publishing the literature resulting from these activities. The Society has developed a secondary mission, through the GSN Foundation, of funding a number of earth science related charitable programs, including grants for K-12 field trips, university scholarships and grants for geological mapping.

Manitoba Prospectors and Developers Association (MPDA)

MPDA acts as an advocacy group for the concerns and interests of members and informs the public of the value of mining in Manitoba.

MinEx CRC

The world's largest mineral exploration collaboration bringing together Industry, Government and Research Organisations.

METS Ignited

An industry-led, government-funded Industry, growth centre for the mining equipment, technology, and services (METS) sector.

Natural Resources Canada (NRCan)

NRCan is committed to improving the quality of life of Canadians by ensuring the country's abundant natural resources are developed sustainably, competitively and inclusively.

NWT and Nunavut Chamber of Mines

The Chamber advises governments, regulatory agencies, investors, Aboriginal groups, the media, schools and universities and the public on industry positions and initiatives. The Chamber's primary objective is to encourage, assist and stimulate the prosperous, orderly and environmentally responsible development and growth of mining and mineral exploration in the NWT and Nunavut.

PNG Chamber of Mines and Petroleum

A non-profit, peak industry association that represents the interests of the mining and petroleum industry and associated industries in PNG.

Prospectors Developers Association of Canada (PDAC)

The PDAC is the leading voice of the mineral exploration and development community, an industry that supports 719,000 people in direct and indirect employment and contributes \$106 billion to Canada's GDP every year. Representing over 4400 members around the world, PDAC's work centers on supporting a competitive, responsible, and sustainable mineral sector.

Quebec Mineral Exploration Association (EMQ)

EMQ promotes sustainable and responsible exploration of Quebec's mineral resources and the vital contribution of mining to the economy.

Society of Economic Geologists (SEG)

SEG is an international organisation of individual members with interests in the field of economic geology. The Society's membership includes representatives from industry, academia, and government institutions.

Sociedad Geológica de Chile (SGCh)

SGCh is a private non-profit corporation aimed at increasing the knowledge, dissemination and teaching of Geology in Chile.

Society of Mining Engineers (SME)

SME brings together the mining and mineral industry's brightest and most dedicated professionals. Over 13,000 global members advance their careers with the world-class technical resources, educational programs, networking opportunities and professional development tools from SME. Members are focused on sharing best practices for safety, environmental stewardship.

University of Western Australia Data Institute

Providing leadership for industry transformation in our digitised world through innovative, discipline relevant and responsible data science.

Western Australian Mining Club (WAMC)

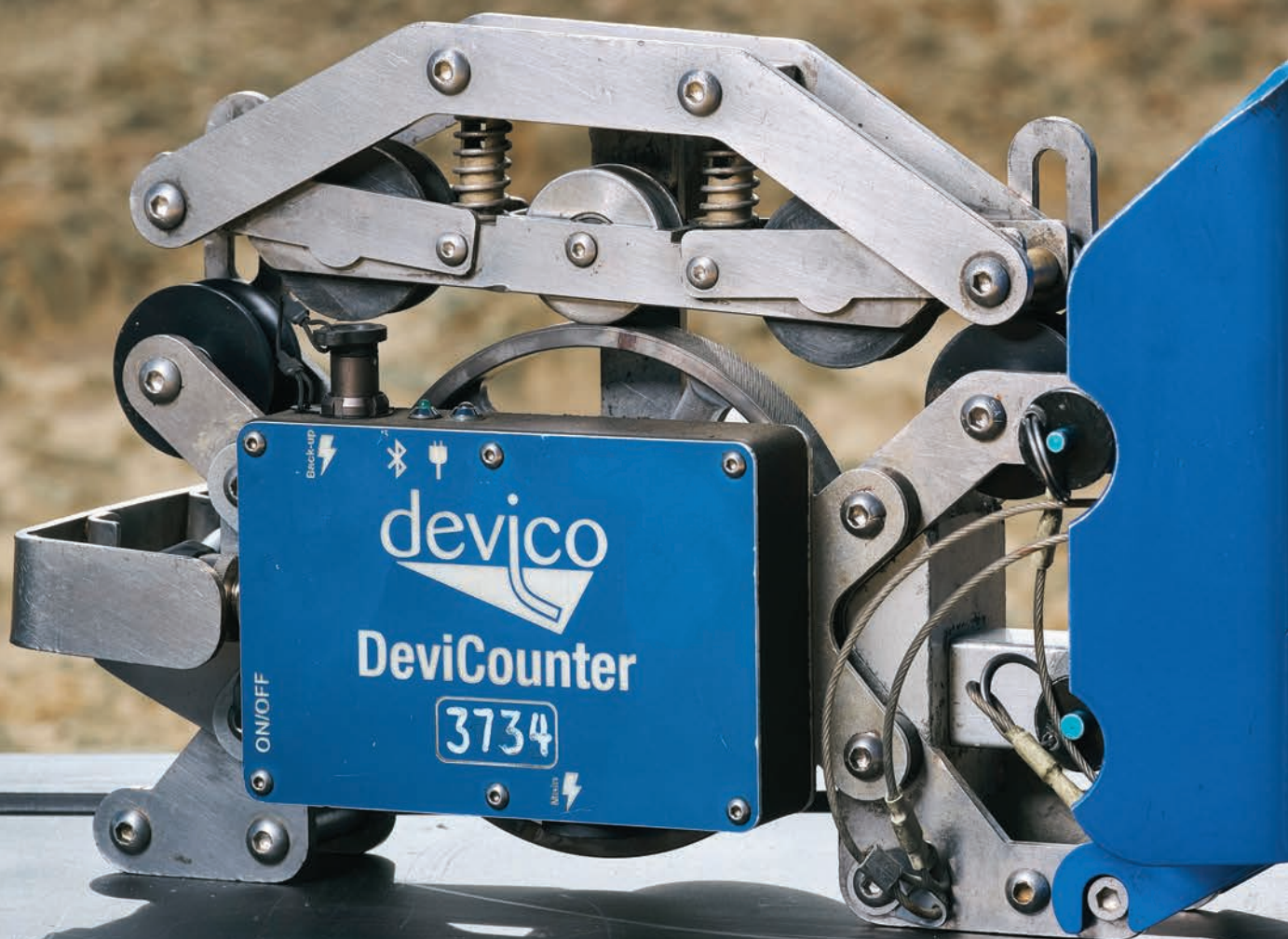
The WAMC was formed by a group of dedicated Perth based industry professionals who recognised the value of meeting regularly to network and discuss industry issues.

Yukon Chamber of Mines

The Yukon Chamber of Mines partners with government, community and first nation representatives to help facilitate an environment of responsible development.



Examples of thought leadership articles can be found at www.imdexlimited.com/news



Innovation – Key Data

FY23 INCIDENTS OF NON-COMPLIANCE CONCERNING THE HEALTH AND SAFETY IMPACTS OF PRODUCTS AND SERVICES

Incidents of non-compliance with regulations resulting in a fine or penalty	None advised
Incidents of non-compliance with regulations resulting in a warning	None advised
Incidents of non-compliance with voluntary codes	None advised



INDEX BLASTDOG™ demonstration with The Hon Madeleine King MP Minister for Resources and Minister for Northern Australia



ENVIRONMENT

Climate Resilience

Our ESG Committee is committed to enhancing climate risk disclosure in line with the Task Force for Climate-related Financial Disclosures (TCFD) framework.

IMDEX climate-related risks and opportunities

- Demand for products and services driven by customers experiencing water shortages
- Demand for products and services driven by customers experiencing challenging climate-related drilling conditions (heat, flood, seasonal shift, bushfire)
- Demand for products and services driven by customers exposed to energy use or greenhouse gas emission policy / regulation
- Demand for products and services driven by customers exposed to water use policy / regulation
- Demand for products and services by the coal mining sector
- Demand for products and services by other mining sectors (especially those supplying raw materials to new energy systems)
- The impact of climate policies on IMDEX's internal cost structure, especially distribution and supply chains.

Governance

The Board has established formal committees which are responsible for assisting IMDEX to address climate business drivers (CBDs).

In FY23, we established a formal ESG sub-committee of the ARCC. This sub-committee met regularly throughout the year and was chaired by ARCC committee member, Sally-Anne Layman. The sub-committee also had broad representation across a variety of functions within the business. The sub-committee had primary responsibility for assisting IMDEX in fulfilling its responsibilities across environmental management, social performance, community engagement and ethical business practices.

A standalone Sustainability Committee has been established to commence in FY24. This Committee has its own charter and responsibilities, including the oversight of climate-related risks and opportunities. The Committee will be chaired by Sally-Anne Layman and will meet at least four times during the year.

IMDEX does not have a specific role for managing CBDs, however, all employees involved in product evaluation and design should manage CBDs.

Management monitors CBDs via the ESG subcommittee, the annual risk review and feedback from the product design process.

Risk Management

We use a risk management system based on ISO 31000 and industry best practices for assessing, analysing and prioritising risk.

Our ARCC provides oversight for organisational risk management and the Executive Leadership Committee provides oversight of risk management at the enterprise level. We have embedded risk management in our management systems – ISO 9001, and ISO 18001 and ISO 27001.

Our IMDEX risk framework includes regular activities to identify, assess, monitor and review risk. All new products and projects follow a risk assessment process adjusted to suit the activity. Climate and environmental risks are considered and included on a case-by-case basis, particularly for projects and new products. Risks are escalated where appropriate and, if deemed significant at enterprise level, trigger a review of the Enterprise Risk Register. We are in the process of incorporating climate-related and environmental risks into our current risk management system.

Risk treatment strategies are considered for all risks. The risks and risk treatment strategies are regularly reviewed, with higher-rated risks reviewed more frequently and at a higher level of management. We use our risk assessment process to identify materiality. Risks rated moderate, high or above may be considered material risks.

The Enterprise Risk Register has considered relevant environmental and sustainability risk factors. Operations-level environmental risks are managed through our health, safety and environmental risk processes.

Strategy

We manage our business over multiple planning horizons. In the short term, we continue to examine and implement changes in our global operations to improve our sustainability footprint.

Over the medium term, we anticipate enhanced climate policy will drive new opportunities for our products, as our key customers identify solutions that can facilitate precision mining and efficient exploration and production drilling. Over the longer term, we anticipate a climate driven change in our customer base, as the minerals industry adapts to enhanced climate policy.

We have the potential to generate long term material benefits, by assisting customers improve energy usage and natural resources efficiency and promote ESG progress.

Our business strategy and financial planning is dictated by customer demand. We match our product road map to customers' needs, which includes products to improve energy use efficiency. Many products within our existing portfolio and development pipeline improve energy use.

We believe our business strategy is resilient to climate related business drivers and can adjust as necessary. Our broad geographical footprint spreads physical and transitional climate-related risks and should allow us to shift our operational focus and mitigate medium term impacts. As a leading mining-tech company, we are well placed to assist customers address climate-related business drivers and expect to benefit as customers seek new solutions.

We believe climate policy is unlikely to have a material impact on our upstream supply chains, access to capital and ESG / compliance costs. We acknowledge physical climate change could impact our customers, through site access and water availability.

We believe we can use the following strategies to maintain or improve profitability through the period of changing climate change policies:

- Introducing new products
- Helping customers promote their energy and water use credentials
- Climate focussed marketing
- Promoting IMDEX's ESG performance.

We believe we can mitigate the potential impacts of climate-related business drivers by monitoring regulations, working closely with customers, contingency planning and assessing industry trends (e.g. working with industry bodies).

Metrics & Targets

Our Scope 1 and 2 greenhouse gas emissions, excluding Devico, are set out on page 94 and include fuel associated with company vehicles, diesel to run equipment and purchased electricity.

During FY23 we measured these emissions with a view to implementing reporting metrics and a reduction program.

Operational Emissions

Due to the nature of our business and product offering, we have low greenhouse gas emissions.

UPSTREAM	OPERATIONAL CONTROL		DOWNSTREAM
SCOPE 3 (INDIRECT)	SCOPE 2 (INDIRECT)	SCOPE 1 (DIRECT)	SCOPE 3 (INDIRECT)
Production and transport of raw materials and technical componentry for instrumentation	Purchased electricity for company leased or owned facilities	Company vehicles fuel	Outsourced product transport
Production and transport of diesel	Purchased heating	Diesel use – equipment	Business travel
Employee transport		Combustion of other liquid fuels (e.g. forklifts)	Transport of waste and waste management
Electricity transmission			Land use change

Material scope 1 and scope 2 emissions



During FY23 we commissioned Kewan Bond Pty Ltd (KBPL) to calculate our Scope 1 and Scope 2 greenhouse gas (GHG) emissions associated with our global operations (excluding Devico). Emissions for the 2023 financial year were calculated in accordance with globally standardised GHG Protocol.

Raw data on fuel and energy consumption (e.g. litres of diesel and kWh of electricity) were provided by each of our regions. Supplier invoices were used to verify the raw data provided. Calculations of energy and emissions were made by applying relevant energy and emission factors.

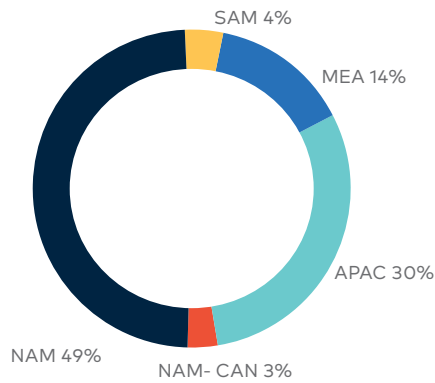
The calculated GHG emissions include emissions of carbon dioxide (CO2), methane (CH4) and nitrous oxide (N2O). Total emissions are reported in units of carbon dioxide equivalents, which consider the 'global warming potential' of each gas.

The energy and emissions associated with each of our regions for FY23 are presented in the tables and charts below on page 101. The data is intended to align with the following Global Reporting Index (GRI) standards:

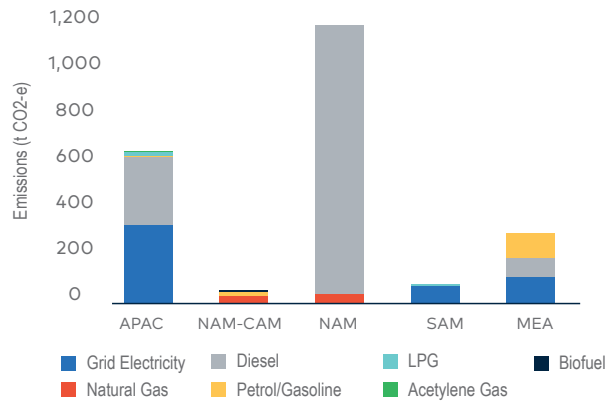
GRI STANDARD 302 - ENERGY:		GRI STANDARD 305 - EMISSIONS:	
302-1	Energy consumption within the organisation	305-1	Direct (Scope 1) GHG emissions
302-3	Energy intensity	305-2	Energy indirect (Scope 2) GHG emissions
GRI Standard 302-2 relates to Scope 3 emissions, which have not been calculated for this period.		305-4	GHG emissions intensity



FY23 IMDEX GHG Emissions by Region



FY23 IMDEX GHG Emissions by Source



The calculation of energy intensity and emissions intensity (in accordance with GRI Standards 302-3 and 305-4) was based on the production and/or headcount data. In the absence of production data for some regions, energy and emissions intensity was based on headcount.

The following opportunities exist for improving the calculation and reporting of energy and GHG emissions:

1. Verification of raw data against fuel/electricity supplier invoices or delivery records. Verification against invoices was conducted for Canada and Chile (Sth America) only.
2. Production data to be provided to enable calculation of energy and emissions intensity.
3. Extend the scope of the GHG assessment to include some key Scope 3 emissions, such as:
 - Purchased goods and services
 - Upstream transport and distribution
 - Waste generation
 - Business travel
 - Employee commuting
 - Downstream transport and distribution
 - Processing and use of sold products

Water and Effluents

The development and manufacture of our drilling optimisation products and rock knowledge sensors does not require material quantities of water. Similarly, there is no requirement for disposal of wastewater.

Our drilling fluids are shipped to customers in either powder or liquid form. The largest percentage of products are in a powder form, which are dissolved into drilling water at the customers' site. The remainder of the drilling fluids are liquid, which are manufactured in a high concentration and added to the drilling water to achieve desirable concentration levels.

To limit environmental impact for customers, we provide a range of solids removal units. We have procedures and oil separation systems in place to ensure responsible disposal of wastewater generated from cleaning equipment.

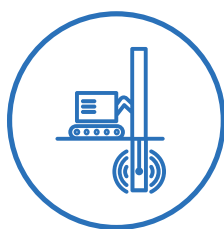


Land Disturbance and Rehabilitation

We have minimal direct impact on the environment. Our range of solutions are designed to enhance efficiency and productivity, while supporting the sustainability of our customers' operations and meeting the drive towards decarbonisation. Key sustainability benefits are set in the table below.



**DRILLING
OPTIMISATION
PRODUCTS**



**ROCK KNOWLEDGE
SENSORS**



**REAL-TIME DATA
AND ANALYTICS**

	Drilling Optimisation Fluids	SRUs and Fluid Testing Technologies	Rig Alignment	Drilling Productivity Technologies	Downhole Survey Sensors	Core Farm Sensors	Driller Operable Geophysics Multi-Sensors	Cloud-based data collection and validation services	Advanced reporting software	Analytical and Interpretive software for geological data
Enhanced Safety	✓	✓		✓	✓		✓			
Reduced Water Use	✓	✓								
Enhanced Operational Efficiency and Productivity	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Biodegradable or Reusable Packaging Options	✓		✓		✓	✓				
Materials can be recycled		✓	✓	✓	✓	✓	✓			
Downstream optimisation	✓		✓	✓	✓	✓	✓	✓	✓	✓

Materials & Packaging

Our principal materials for our drilling optimisation products include:

- Potassium Chloride
- Bentonite
- Acrylamide copolymers (commonly referred to as PHPA)
- Modified cellulose (commonly referred to as PAC)
- Vegetable oil

These products are available in recyclable cardboard and plastic pails (recycling code 2). Our fluid products are principally made from natural products and less than 5% contain hydrocarbons.

During FY23 IMDEX withdrew all fluid products with a dangerous good (DG) classification, except one product that is supplier to select customers in Australia only.

All recyclable components of our rock knowledge sensors, including steel and batteries, are reused. Our rock knowledge sensors are distributed to clients in reusable Pelican cases.





AMC

HIGHEST QUALITY DRILLING FLUIDS PLACED
TO REDUCE THE IMPACT ON OUR ENVIRONMENT

Our
Environment

Environmental – Key Data

IMDEX is not aware of any non-compliance with environmental laws in any of the jurisdictions in which we operate within the last 2 years.

NON-COMPLIANCE WITH ENVIRONMENTAL LAWS	NUMBER / VALUE
Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations	Zero
Non-monetary sanctions	Zero
Cases brought through dispute resolution mechanisms	Zero

WATER AND EFFLUENTS	IMPACT
Water discharge by quality and destination	IMDEX does not discharge wastewater from any of its operations
Water bodies affected by water discharges and/or runoff	No or immeasurable impact
Significant spills	Zero

FY2022 ENERGY AND GHG EMISSIONS INVENTORY

	Units	APAC	NAM-CAN	NAM	SAM	MEA	TOTAL
ENERGY							
Grid Electricity	GJ	1,935	203	64	411	1,645	4,258
Natural Gas	GJ	-	564	885	-	-	1,449
Diesel	GJ	3,851	-	13,594	-	1,158	18,603
Petrol/Gasoline	GJ	36	316	160	-	1,405	1,917
LPG	GJ	352	-	-	86	-	438
Acetylene Gas	GJ	1.10	-	-	-	-	1
Biofuel	GJ	-	71	-	-	-	71
TOTAL	GJ	6,174	1,154	14,703	497	4,207	26,736
EMISSIONS							
Scope 1							
Natural Gas	t CO ₂ -e	-	28	44	-	-	72
Diesel	t CO ₂ -e	271	-	957	-	81	1,310
Petrol/Gasoline	t CO ₂ -e	2.45	22	0.01	-	95	119
LPG	t CO ₂ -e	21.32	-	-	5.20	-	27
Acetylene Gas	t CO ₂ -e	0.057	-	-	-	-	0
Biofuel	t CO ₂ -e	-	5	-	-	-	5
Scope 2							
Grid Electricity	t CO ₂ -e	327	0.52	5.38	74	113.29	521
TOTAL	t CO₂-e	622	55	1,007	80	290	2,053



SOCIETY

SOCIETY

Sustainable Earnings Growth

Growth Strategy

We have a clear and consistent growth strategy.

Key components include:

- Technology leadership, solution selling and disciplined acquisitions
- Leveraging our core capabilities within the mining production market, and our recently acquired directional core drilling technologies into the IMDEX network, providing greater exposure to less cyclical sectors of the mining value chain

To deliver this growth strategy we invest in:

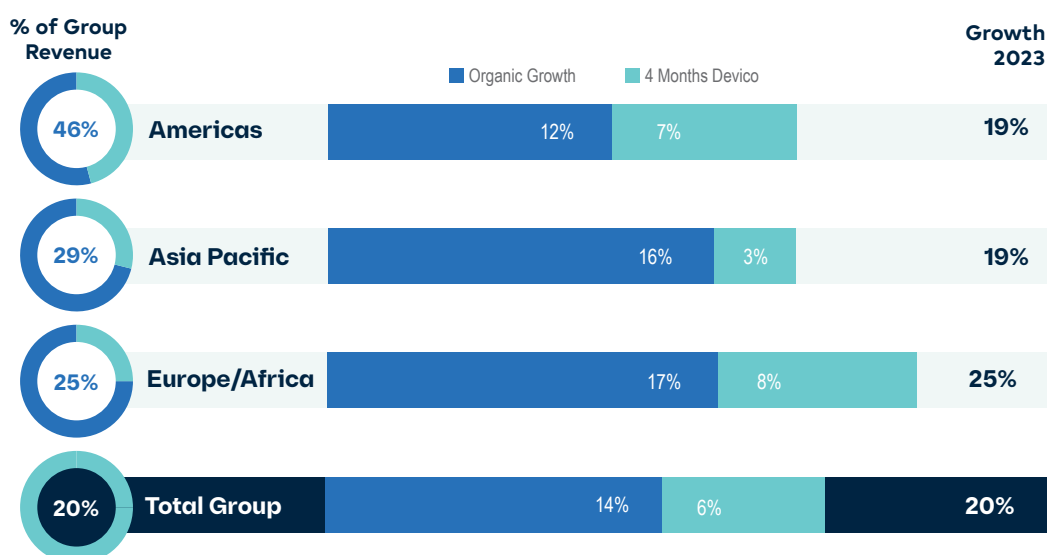
- Targeted R&D to maintain technology leadership and win market share
- Leveraging our core capabilities within the mining production market
- Developing and marketing integrated solutions for orebodies to optimise value for customers and revenue for IMDEX
- Acquiring technologies and software, to build on geoscience analytics, AI and computer visualisation capabilities that deliver answer products for customers.

A key objective is outperforming industry growth. Internally we use S&P Global Market Intelligence as benchmark, which forecast global exploration activity to contract 20% during calendar 2023.

Approach to Taxation

As part of our annual planning process, we review our tax strategy and our compliance and work program to ensure it supports the objectives of the Group. An update on this is provided to the ARCC bi-annually as part of the governance framework.

Revenue Growth by region



Local Support & Engagement

At IMDEX our vision is to shape a better global industry and have a positive contribution for the benefit of our people, customers, and the societies in which we operate.

During FY23 we established a Community Engagement Policy to promote an environment that supports community engagement activities to enable our employees to contribute to their local communities.

Our approach to community engagement is multi-faceted and includes:

- Opportunities for our employees to connect with their communities to have a societal impact
- Recognition as a valued corporate partner in the communities in which we work
- A strong commitment to educating future generations in our community.

We will have a strategic approach to the corporate partnerships that we develop to align with our corporate objectives and to benefit the communities which we operate. Our approach to philanthropy will be formed based on partnerships with Not-for-Profit organisations that are aligned to our organisational values and reviewed annually by an established working group.

Global Volunteering Program

We support many charity events and community organisation in our regions of operation. Formalising our approach to volunteering forms part of our ESG strategy and will be considered by the Sustainability Committee during FY24.



IMDEX Africa and Middle East Team site visit, learning more about the customers we support in that region.



Supporting Girls Programming Network, encouraging students to explore programming



Supporting Dress for Success, an international charity empowering women to achieve economic independence



MACA Cancer 200 Ride



Employees supporting local football team in Queensland, Australia



Replace with IMDEX Marketing Team volunteering at FareShare to help people in need in Brisbane, Australia



Society – Key Data

ECONOMIC VALUE

Direct economic value generated	411.4
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ECONOMIC VALUE DISTRIBUTED

Operating costs	204.9
Employee benefit expense	104.0
Costs of providing capital	20.9
Cost for direct taxes to governments	19.6
Economic value retained	62.0

FY23 FINANCIAL ASSISTANCE RECEIVED BY IMDEX FROM ANY GOVERNMENT

Nil.

PROCUREMENT

Percentage of procurement budget used for significant locations (where IMDEX has an established facility) of operation that is spent on suppliers local to that operation	~70%
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GOVERNANCE

Corporate Governance Risk

Our Corporate Governance Statement sets out the key features of our governance framework and discloses the extent to which we have followed the ASX Corporate Governance Council's Corporate Governance Principles and Recommendation (ASX Recommendations).

We regularly review our corporate governance practices and policies against the requirements of both the Corporations Act 2001 (Cth) (Corporations Act) and the Listing Rules of the Australian Securities Exchange (ASX), and current best practice. Our Corporate Governance Statement is accurate and current as at the date of our Annual Report and has been approved by our Board.



Our Corporate Governance Statement can be found on our website at:
<https://www.imdexlimited.com/media/home/Corporate-Governance-Statement-August-2022.pdf>

IMDEX Code of Conduct

Our IMDEX Code of Conduct (the Code) provides a framework for our decisions and actions and outlines the standard of conduct expected of everyone who works for or on behalf of the Company. All employees are expected to be familiar with and understand the Code. In FY23 our compulsory Code of Conduct training was required to be completed by all employees across the business

Supplier Code of Conduct

We are committed to transparent, safe, and ethical procurement practices. Our aim is to partner with likeminded suppliers to help us deliver leading solutions that enhance our customers' operations. Our Supplier Code of Conduct clearly sets out our minimum expectations of suppliers, their subsidiaries, and subcontractors. The Supplier Code of Conduct aligns with our Corporate Governance Policies, company values and internal expected behaviours.



Our IMDEX Code of Conduct and Supplier Code of Conduct can be found on our website at:
www.imdexlimited.com/about-us/corporate-governance

Anti-Bribery and Anti-Corruption

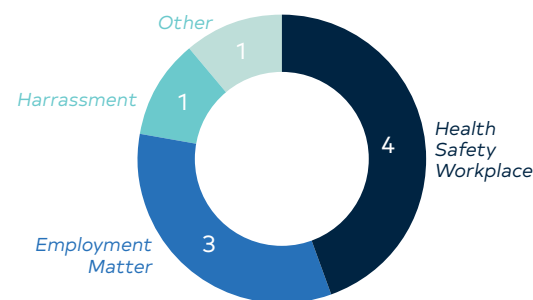
At IMDEX we avoid activities and organisations that are unethical or harm people and the environment. We are committed to:

- Zero-tolerance for bribery and other forms of corruption;
- Honest and ethical business practices; and
- Compliance with the laws of the countries where we operate.

Our Anti-Bribery and Anti-Corruption Policy sets out requirements for business conduct and provides information on how to recognise and respond to bribery and corruption. The Policy applies to all directors, officers, employees and third parties acting directly or indirectly on behalf of IMDEX. Our Anti-Bribery and Anti-Corruption Policy and third-party due diligence procedure include record keeping, approval processes and relevant behaviours. Our General Counsel has overall responsible for our Anti-Bribery and Anti-Corruption program.

In FY23 our compulsory anti-bribery and anticorruption training was required to be completed by all employees across the business.

FY23 SPEAK-UP REPORTS BY CATEGORY



Speak-Up Policy

Our Speak-Up Policy supports our Code of Conduct and is designed to ensure that we maintain the highest standards of corporate governance and ethical conduct across all our operations; and our Company is a safe, respectful, and inclusive place to work.

All employees are encouraged to ask questions, query, and report actual or suspected violations of our Code of Conduct or other IMDEX Policies without fear of retribution.

Several methods are provided for making confidential reports. In the first instance employees are encouraged to report any matters of concern directly to their manager or supervisor. Alternatively, they can make a report via phone, email, mail or anonymously through our reporting platform, Speeki®. Speeki® is multilingual and can be accessed anytime from any mobile or device using either the mobile app or the web portal.

We are committed to ensuring that: all matters that are reported will be treated respectfully and confidentially; any investigations will be conducted in a timely manner and will be fair and independent from any persons to whom the disclosure relates; and no one will suffer any detriment as a result of making a report.

During FY23, 9 reports were received, either directly to HR representatives or via Speeki®. The majority of reports related to standard HR or workplace complaints, which were able to be resolved by the HR team in the normal course of business. Each complaint is subject to an initial review and assigned to key individuals, then further investigation is conducted as required.

Our Anti-Bribery and Anti-Corruption Policy and Speak-Up Policy can be found on our website at: <https://www.imdexlimited.com/media/home/Anti-Bribery-and-Anti-Corruption-Policy-December-2022-Website.pdf>

Our Speak Up Policy can be found at: <https://www.imdexlimited.com/media/home/GRCG-014-Speak-Up-Policy-July-2023-English.pdf>

Conflicts of Interest

Certification IMDEX has a Managing Conflicts of Interest Procedure which applies to all IMDEX employees, contractors and consultants. The purpose of this procedure is to:

- Assist Employees to identify actual, potential or perceived conflicts of interest (together Conflicts);
- Guide Employees on their obligations; and
- Set out the process for disclosing and managing Conflicts.

To safeguard the ongoing ethical and compliant operation of our global business, all employees are required to complete a Conflicts of Interest Certification annually. This involves employees completing a Conflict of Interest declaration and updating this declaration if their circumstances change. This process ensures that any Conflicts are identified, disclosed and managed appropriately.

Risk Management

This year's focus was on strengthening our risk management capabilities and embedding stronger risk governance processes. This began with strengthening and streamlining of our risk framework and acting on advice received from external risk experts. We have expanded our use of third party due diligence screening platform to improve the risk insights we have on our customers, suppliers and business partners.

We continue to dedicate effort to risk management in new product introduction and management of strategic business risks. This ensures that we provide the most risk support in areas that are directly linked to organisational strategy and revenue. This has also provided opportunity to look further over the horizon to identify new and emerging risks.

As the IMDEX business grows and matures, we have invested in providing risk training and support to empower stakeholders throughout the business to take ownership of risk. We have expanded our

use of enterprise risk software to more users and more processes to enable a more controlled risk ecosystem. Our dedicated Risk & Compliance Team is positioned to support further embedding of sound risk practice as we integrate the Devico businesses that are now part of the IMDEX group.

Internal Audit

IMDEX works closely with our external provider, PwC, to conduct its schedule of internal audits across the financial year. Throughout FY23, our internal audit program continued to mature as the Risk and Compliance function drove targeted engagement across components of IMDEX's global business, such as supply chain and workforce planning and retention. The revised management of the internal audit team ensure a more comprehensive review of the selected focus areas.

Regulatory Compliance

The Risk & Compliance Team has focused regulatory compliance effort on the fundamental elements of the IMDEX business model: global product compliance, international trade, and operational compliance. In anticipation of business growth, we have invested effort in optimising our regulatory compliance frameworks and enabling stakeholders to engage more effectively with their compliance obligations.

The expanded use of third party due diligence software has provided better visibility of our sanctions compliance position and created opportunities for more regular discussion of compliance issues within the business. We will be providing further compliance training and support in FY24 to ensure that business units can identify and comply with their obligations.

Human Rights & Modern Slavery

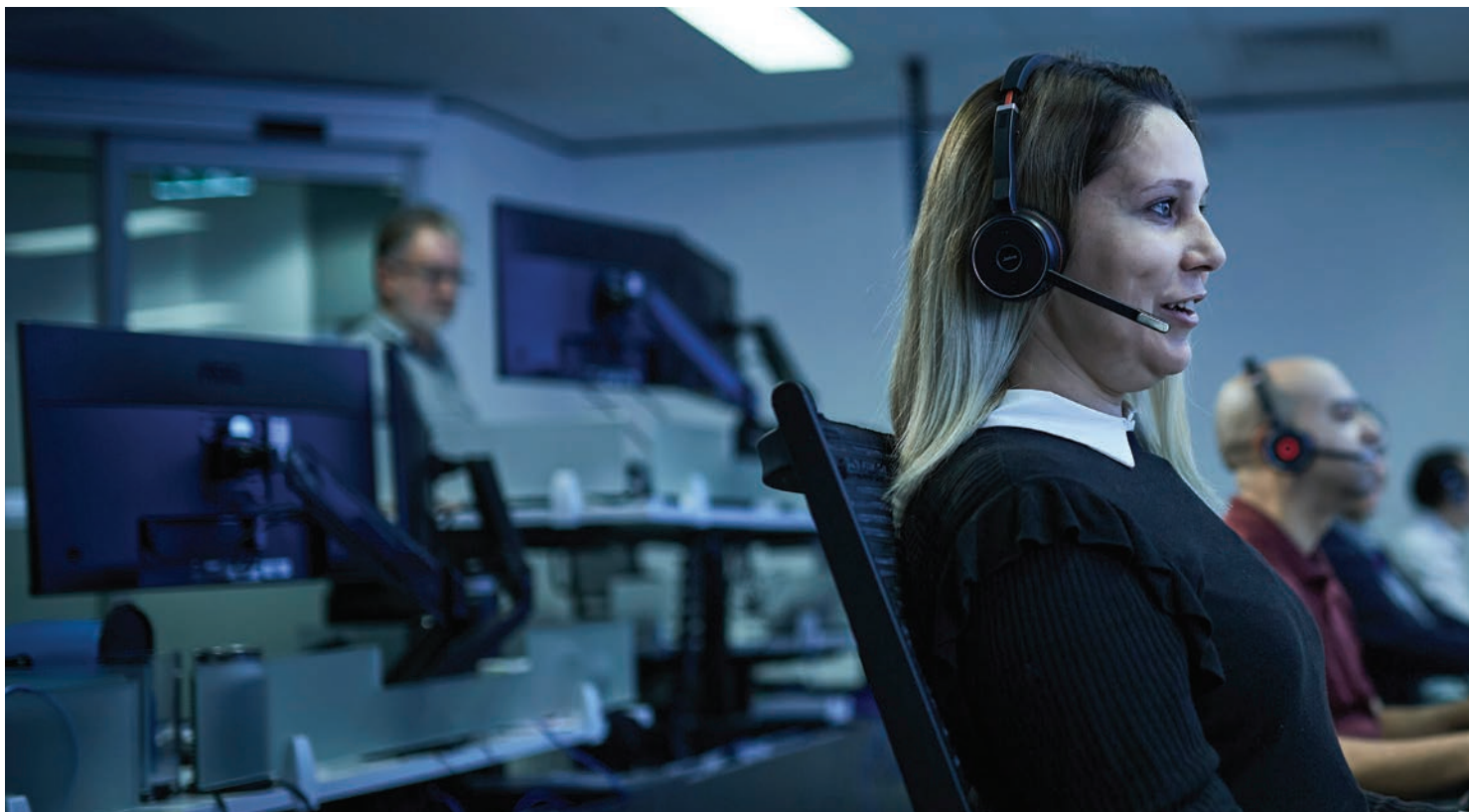
Modern Slavery

We were pleased to upgrade our Modern Slavery statement throughout the year to continue our focus on this important compliance area. To support our aims, we implemented modern slavery awareness training for our global procurement and supply chain teams to strengthen their skills in identifying and mitigating potential modern slavery risks. We have also expanded our third party due diligence capabilities to provide greater insight into potential supplier risk factors including modern slavery, human rights and the worst forms of child labour.



Our 2022 Modern Slavery can be found at:

<https://www.imdexlimited.com/media/home/IMDEX-Modern-Slavery-Statement-FY22.pdf>



Privacy & Data Security

Data Security

During FY23 we continued our focus on cyber security. Notable achievements during the period included:

- Significant progress incorporating Devico into IMDEX's computing environment;
- Implementing IMDEX's cyber security controls within Devico; and
- A cyber security assessment of Krux's product.

Key focus areas in FY23 include:

- Growing ISO/IEC 27001 certification audit to incorporate aiSIRIS which emerged from the IMDEX acquisition of AusSpec; and
- Deploying the Cloud Access Security Broker across key services.

ISO/IEC 27001:2013 Certification

IMDEX was recertified for ISO/IEC 27001:2013 through SGS, a globally renowned inspection, verification, testing and certification company.

ISO/IEC 27001:2013 is an international information security standard. Our certification demonstrates that we operate an Information Security Management System compliant with mandatory requirements, have systematic processes for managing information security risks, and have implemented controls mandated by the standard.

Our certification comprises a comprehensive range of activities including:

- Software development processes;
- The product development life cycle for real-time subsurface intelligent solutions;
- Manufacturing and deployment of products and technologies;
- Customer support processes; and
- Information technology systems that support these activities and digital functions.

This investment provides additional assurance to our customers regarding the end-to-end security of the information they provide, such as when ordering and despatching via our Global Digital Rentals platform, transferring critical data with our award-winning cloud solution IMDEX HUB-IQ™ and support data collection via our 24/7 Customer Care portal.



Governance Key Statistics

ANTI-CORRUPTION

Total number of operations assessed for risks related to corruption	100%
Percentage of operations assessed for risk related to corruption	Zero
Significant risks related to corruption identified through the risk assessment	Zero
Total number and nature of confirmed incidents of corruption	Zero
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	Zero
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	Zero
Public legal cases regarding corruption brought against the organisation or its employees during the reporting period and the outcomes of such cases	Zero

FY23 TOTAL NUMBER AND PERCENTAGE OF GOVERNANCE BODY MEMBERS THAT IMDEX'S ANTICORRUPTION POLICIES AND PROCEDURES HAVE BEEN COMMUNICATED TO

Africa & Europe	Americas	Asia Pacific	Total
100%	100%	100%	100%

FY23 TOTAL NUMBER AND PERCENTAGE OF EMPLOYEES THAT IMDEX'S ANTI-CORRUPTION POLICIES AND PROCEDURES HAVE BEEN COMMUNICATED TO, BROKEN DOWN BY EMPLOYEE CATEGORY AND REGION

Africa & Europe	Americas	Asia Pacific	Total
100%	100%	100%	100%
Executive	Senior Management	Supervisory Professional	Support
100%	100%	100%	100%

FY23 TOTAL AND PERCENTAGE OF EMPLOYEES THAT HAVE RECEIVED TRAINING ON ANTICORRUPTION

Africa & Europe	Americas	Asia Pacific	Total
100%	100%	100%	100%
Executive	Senior Management	Supervisory Professional	Support
100%	100%	100%	100%

OPERATIONS AND SUPPLIERS CONSIDERED TO HAVE SIGNIFICANT RISK FOR INCIDENTS OF CHILD LABOUR

Type of operation	None that IMDEX is aware of
Countries or geographic areas	None that IMDEX is aware of

OPERATIONS AND SUPPLIERS CONSIDERED TO HAVE SIGNIFICANT RISK FOR INCIDENTS OF YOUNG WORKERS EXPOSED TO HAZARDOUS LABOUR

Type of operation	None that IMDEX is aware of
Countries or geographic areas	None that IMDEX is aware of

OPERATIONS AND SUPPLIERS CONSIDERED TO HAVE SIGNIFICANT RISK FOR INCIDENTS OF FORCED OR COMPULSORY LABOUR

Type of operation	None that IMDEX is aware of
Countries or geographic areas	None that IMDEX is aware of

VIOLATIONS INVOLVING RIGHTS OF INDIGENOUS PEOPLES

FY23 total number of identified incidents of violations involving the rights of indigenous peoples	IMDEX has not been advised of any violations
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INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS TAKEN

FY23 total number of incidents of discrimination and corrective actions	None that IMDEX is aware of
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FY23 TOTAL NUMBER OF SUBSTANTIATED COMPLAINTS RECEIVED CONCERNING BREACHES OF CUSTOMER PRIVACY

Complaints received from outside parties and substantiated by the organisation	IMDEX has not been advised of any complaints
Complaints from regulatory bodies	IMDEX has not been advised of any complaints

CUSTOMER DATA

FY23 Total number of identified leaks, thefts or losses of customer data	IMDEX has not been advised of any leaks, thefts or losses
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GRI Index

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organisational details	About This Report, Page 6 and About IMDEX, Pages 11 - 21
	2-2 Entities included in the organisation's sustainability reporting	About This Report, Page 6
	2-3 Reporting period, frequency and contact point	About This Report, Page 6
	2-4 Restatements of information	Not Applicable
	2-5 External assurance	Not Provided for FY23
	2-6 Activities, value chain and other business relationships	About IMDEX, Pages 11 - 21 Thought Leadership, Pages 86- 87
	2-7 Employees	People, Pages 74 - 81
	2-8 Workers who are not employees	People, Pages 80 - 81
	2-9 Governance structure and composition	How We Govern ESG Risks and Opportunities, Page 58 Board of Directors, Pages 24 and 25
	2-10 Nomination and selection of the highest governance body	Governance, Pages 109 - 115
	2-11 Chair of the highest governance body	Governance, Pages 109 - 115
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance, Pages 109 - 115
	2-13 Delegation of responsibility for managing impacts	Governance, Pages 109 - 115
	2-14 Role of the highest governance body in sustainability reporting	How We Govern ESG Risks and Opportunities, Page 57
	2-15 Conflicts of interest	Governance, Pages 109 - 115
	2-16 Communication of critical concerns	Governance, Pages 109 - 115
	2-17 Collective knowledge of the highest governance body	FY23 Corporate Governance Statement, page 109
	2-18 Evaluation of the performance of the highest governance body	FY23 Corporate Governance Statement, Page 109
	2-19 Remuneration policies	Remuneration Report, Pages 126 - 140
	2-20 Process to determine remuneration	Remuneration Report, Pages 126 - 140
	2-21 Annual total compensation ratio	Not collated for FY23
	2-22 Statement on sustainable development strategy	Sustainability, Pages 45 - 51

GRI STANDARD	DISCLOSURE	LOCATION
	2-23 Policy commitments	Throughout FY23 Annual Report and Corporate Governance section of website
	2-24 Embedding policy commitments	Governance, Pages 109 - 115
	2-25 Processes to remediate negative impacts	Governance, Pages 109 - 115
	2-26 Mechanisms for seeking advice and raising concerns	Governance, Pages 109 - 115
	2-27 Compliance with laws and regulations	Governance, Pages 109 - 115
	2-28 Membership associations	Innovation, Pages 86 - 87
	2-29 Approach to stakeholder engagement	How We Govern ESG Risks and Opportunities, Pages 57 -59
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Topics, Page 53
	3-2 List of material topics	Material Topics, Page 53
	3-3 Management of material topics	How We Govern ESG Risks and Opportunities, Page 57
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Society, Page 107
	201-2 Financial implications and other risks and opportunities due to climate change	Environment, Pages 91 - 93
	201-3 Defined benefit plan obligations and other retirement plans	Not collated for FY23
	201-4 Financial assistance received from government	Society, Page 107

GRI STANDARD	DISCLOSURE	LOCATION
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Society, Page 107
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Governance, Pages 109 - 115
	205-2 Communication and training about anti-corruption policies and procedures	Governance, Pages 109 - 115
	205-3 Confirmed incidents of corruption and actions taken	Governance, Pages 109 - 115
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Environment, Page 101
	302-2 Energy consumption outside of the organisation	Data not collated for FY23
	302-3 Energy intensity	Environment, Page 101
	302-4 Reduction of energy consumption	Data not collated for FY23
	302-5 Reductions in energy requirements of products and services	Data not collected for FY23
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Data not collated for FY23
	303-2 Management of water discharge-related impacts	Environment, Pages 97 and 101
	303-3 Water withdrawal	Environment, Pages 97 and 101
	303-4 Water discharge	Environment, Pages 97 and 101
	303-5 Water consumption	Environment, Pages 97 and 101
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environment, Page 94
	305-2 Energy indirect (Scope 2) GHG emissions	Environment, Page 94
	305-3 Other indirect (Scope 3) GHG emissions	Environment, Page 94
	305-4 GHG emissions intensity	Environment, Pages 94 - 96 and 101
	305-5 Reduction of GHG emissions	Environment, Pages 93 and 51
	305-6 Emissions of ozone-depleting substances (ODS)	Data not collated for FY23
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Data not collated for FY23

GRI STANDARD	DISCLOSURE	LOCATION
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Data not collated for FY23
	306-2 Management of significant waste-related impacts	Data not collated for FY23
	306-3 Waste generated	Data not collated for FY23
	306-4 Waste diverted from disposal	Data not collated for FY23
	306-5 Waste directed to disposal	Data not collated for FY23
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	About IMDEX, Page 15
	308-2 Negative environmental impacts in the supply chain and actions taken	Data not collated for FY23
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	People, Pages 76 - 81
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	People, Pages 76 - 81
	401-3 Parental leave	People, Pages 76 - 81
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	People, Pages 62 - 73 and 80 - 81
	403-2 Hazard identification, risk assessment, and incident investigation	People, Pages 62 - 73 and 80 - 81
	403-3 Occupational health services	People, Pages 62 - 73 and 80 - 81
	403-4 Worker participation, consultation, and communication on occupational health and safety	People, Pages 62 - 73 and 80 - 81
	403-5 Worker training on occupational health and safety	People, Pages 62 - 73 and 80 - 81
	403-6 Promotion of worker health	People, Pages 62 - 73 and 80 - 81
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People, Pages 62 - 73 and 80 - 81
	403-8 Workers covered by an occupational health and safety management system	People, Pages 62 - 73 and 80 - 81
	403-9 Work-related injuries	People, Pages 62 - 73 and 80 - 81
	403-10 Work-related ill health	People, Pages 62 - 73 and 80 - 81

GRI STANDARD	DISCLOSURE	LOCATION
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	People, Page 81
	404-2 Programs for upgrading employee skills and transition assistance programs	People, Pages 74 - 79
	404-3 Percentage of employees receiving regular performance and career development reviews	People, Page 81
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	People, Pages 80 - 81
	405-2 Ratio of basic salary and remuneration of women to men	People, Pages 80 - 81
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Governance, Page 115
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Governance, Pages 114 - 115
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Governance, Page 112
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Governance, Page 115
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Data not collated for FY23
	413-2 Operations with significant actual and potential negative impacts on local communities	Data not collated for FY23
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Innovation, Pages 82 - 83
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Innovation, Page 89
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Innovation, Page 89

Sustainability Accounting Standards Board Index

		SECTION REFERENCE OR RESPONSE	REFERENCE (PAGE)
SASB - EXTRACTIVES AND MINERAL PROCESSING INDUSTRY - METALS AND MINING SUB-INDUSTRY			
ENVIRONMENT			
GHG Emissions reduction	Scope 1 emissions; strategy to minimise Scope 1 emissions, targets and analysis	Environment	91 - 101
Air Quality	Emissions of (1) CO, (2) Nox (excluding N2O), (3) SOx, (4) particulate matter, (5) mercury, (6) lead and (7) volatile organic compounds	Data not collated for FY23	
Energy Management	Energy consumed; percentage from grid electricity; percentage from renewable sources	Environment	91 - 101
Waste and hazardous material management	Total weight of tailings waste, percentage recycled, weight of mineral waste and percentage recycled, and number of tailings improvements	Environment	91 - 101
Water and wastewater management	Total fresh water withdrawn, consumed, and number of incidents of non-compliance associated with water quality permits, standards and regulation	Environment	91 - 101
EMPLOYEES			
Health and safety	(1) MSHA all-incidence rate, (2) fatality rate, (3) near-miss frequency rate (NMFR) and (4) average hours of health, safety and emergency response training for (a) full time employees, and (b) contract employees	People	62 - 81
GOVERNANCE			
Business ethics	Policies to prevent bribery and corruption, production in countries with the 20 lowest rankings in Transparency International's Corruption Perception Index (CPI), number of active projects and backlog in countries with the 20 lowest CPI rankings.	Governance	109 - 115

SASB - INFRASTRUCTURE INDUSTRY - ENGINEERING AND CONSTRUCTION SERVICES SUB-INDUSTRY			
ENVIRONMENT			
Environmental impacts of project development	Incidents of non-compliance with environmental permits, standards and regulations, discussion of processes	Environment	101
CUSTOMER			
Product quality and safety	Amount of defect- and safety-related rework costs, total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents	Governance	115

Directors' Report

The Directors of IMDEX Limited ("IMDEX" or "the Company") present their report together with the annual Financial Report of the Company and its Subsidiaries ("the Group") for the financial year ended 30 June 2023.

In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

Directors

The names and particulars of the Directors of the Company during or since the end of the financial year are:

Name	Role	Particulars
Mr. A. Wooles	Independent, Non-Executive Chairman	<ul style="list-style-type: none"> Corporate Advisor and Executive Director and Chairman since 1 July 2016 Chair of the Remuneration and Nomination Committee Member of the Audit, Risk and Compliance Committee Has held executive and advisory roles in diverse industries including mining, oil and gas, power generation, manufacturing, telecommunications, food and beverages and retail Non-Executive Director of High Peak Royalties Limited (ASX: HPR) (2012 – current)
Mr. I. Gustavino	Independent, Non-Executive Director	<ul style="list-style-type: none"> Corporate Advisor Director since 3 July 2015 Member of the Remuneration and Nomination Committee Prior to his role as a corporate advisor, Mr. Gustavino was a co-founding shareholder and Director of Surpac Software, now Dassault Systèmes GEOVIA Inc. Non-Executive Chairman of CV Check Limited (ASX: CV1) (2018 – current)
Ms. S. Layman	Independent, Non-Executive Director	<ul style="list-style-type: none"> Engineer and Certified Practising Accountant Director since 6 February 2017 Chair of the Audit, Risk and Compliance Committee Member of the Australian Institute of Company Directors and CPA Australia Extensive experience within the mining sector and financial markets with significant international and cross commodity experience. Previously Division Director – Metals & Energy Capital Division at Macquarie Bank Limited Non-Executive Director of Pilbara Minerals Ltd (ASX: PLS) (2018 – current), Beach Energy Limited (ASX: BPT) (2019 – current) and Newcrest Mining Ltd (ASX: NCM) (2020 – current)
Ms. T. Arlaud	Independent, Non-Executive Director	<ul style="list-style-type: none"> Corporate Advisor Director since 10 February 2021 Since 2019, Ms Arlaud has been Chief Executive Officer – Mining Specialist at IMB, Inc, Frisco in Colorado, USA. Prior to this role she was Regional Director Mining for the US and Western Canada/Mass Mining Lead (Globally) Non-Executive Director of Global Atomic Corporation (TSX: GLO) (2020 – current) , Seabridge Gold (TSX: SEA, NYSE:SA) (2021 – current) and IGO Limited (ASX: IGO) (2022 – current).
Mr. U. Airhiavbere (appointed 19 December 2022)	Independent, Non-Executive Director	<ul style="list-style-type: none"> MBA, MA, BA with Hon Director since 19 December 2022 Currently the Chief Commercial Officer, Worldwide Energy and Mining, for Microsoft Corporation, where he leads Microsoft's end-to-end commercial strategy in the energy and mining industries. Prior to this role, he spent nine years with GE Oil & Gas in the roles of Senior Manager-Business Development, Business Unit Director and Director of Commercial Operations.

Name	Role	Particulars
Mr. K. Dundo (retired 6 October 2022)	Independent, Non-Executive Director	<ul style="list-style-type: none"> • Lawyer • Director since 14 January 2004 and retired 6 October 2022 • Member of the Remuneration and Nomination Committee and the Audit, Risk and Compliance Committee • Non-Executive Director of Red 5 Limited (ASX: RED) (2010 – current) and Avenir Limited (ASX: AEV) (2019 – current)

Directors' Meetings

The following table sets out the number of Directors' meetings (including meetings of committees of Directors) held during the financial year and the number of meetings attended by each Director (while they were a Director or committee member).

	Board of Directors (Number)		Audit, Risk and Compliance Committee (Number)		Remuneration and Nomination Committee (Number)	
	Held	Attended	Held	Attended	Held	Attended
Mr. A. Wooles	14	14	6	6	3	3
Mr. I. Gustavino	14	14	2	2	3	3
Ms. S. Layman	14	14	6	6	N/A	N/A
Ms. T. Arlaud	14	14	N/A	N/A	2	2
Mr. U. Airhiavbere	6	6	4	4	N/A	N/A
Mr. K. Dundo (retired 6 October 2022)	3	3	N/A	N/A	1	1

Company Secretary

Mr. M. Tomasz

Mr. Tomasz joined IMDEX in May 2021 and was appointed as Company Secretary effective from 24 May 2021. He is admitted as a barrister and solicitor in the Supreme Court of New South Wales and admitted as a Solicitor in England & Wales. He has experience in both corporate and commercial law gained from a variety of multinational resource and industrial conglomerate companies.

Operations Review

Principal Activities

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

The Company's product offering includes an integrated range of drilling optimisation products, cloud-connected rock knowledge sensors, and data and analytical software.

IMDEX's acquisition of Devico AS ("Devico") in February 2023 provided clear technology and market leadership in the directional core drilling business globally. The acquisition also brought sensing technologies that complement the Company's rock knowledge sensors.

This combined product offering is commodity agnostic and can be applied across the mining value chain. During FY23 IMDEX supported clients in more than 100 countries.

The Company partners with drilling contractors and resource companies to provide integrated solutions that unlock real value and provide critical insights.

IMDEX has facilities in all key mining regions of the world. Its head office is in Balcatta, Western Australia. The Devico transaction provided additional facilities, including a world-class R&D hub in Trondheim, Norway and greater presence in Europe.

Review of Operations

A review of the operations of the consolidated entity during the financial year and of the results of those operations is contained in the Annual Report.

Dividends

The following dividends have been paid by the Company or declared by the Directors since the commencement of the financial year ended 30 June 2023:

- (i) FY22 fully-franked final dividend of 1.9 cents (2021: 1.4 cents) per share paid on 11 October 2022;
- (ii) FY23 fully-franked interim dividend of 1.5 cents (2022: 1.5 cents) per share paid on 20 March 2023; and
- (iii) FY23 fully-franked final dividend of 2.1 cents (2022: 1.9 cents) per share to be paid on 12 October 2023.

Changes in State of Affairs

Except for the acquisition of Devico (refer to Note 5.2), there were no significant changes in the state of affairs of the Group.

Subsequent Events

There have been no matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations of the Group, the result of these operations, or the state of affairs of the Group in future financial years.

Environmental Regulations

The only entity in the Group that is subject to environmental regulations is Samchem Drilling Fluids and Chemicals (Pty) Ltd. They are required to comply with the *South African National Water Act, Act No 36 of 1998* which requires the management of effluent discharge. This is controlled through an effluent system.

During the current period, IMDEX have not had any reports of environmental regulatory non-compliance globally.

More specific details about IMDEX's sustainability initiatives and performance, including safety, health and environment, can be found on IMDEX's website www.imdexlimited.com/investors/esg.

Non-audit services

Details of amounts paid or payable to the auditor for non-audit services provided during the year are outlined in note 5.8 to the financial statements. The Directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The Directors are of the opinion that the fees paid for services provided as disclosed in note 5.8 to the financial statements do not compromise the external auditor's independence, based on advice received from the Audit, Risk and Compliance Committee, for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and
- None of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing economic risks and rewards.

Auditor's Independence Declaration

The auditor's independence declaration is included in the Annual Report immediately prior to the Auditor's Report.

Indemnification of Officers and Auditors

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company, the Company Secretary, and all Executive Officers of the Company and of any related body corporate against a liability incurred as such by a Director, Secretary or Executive Officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Rounding Off of Amounts

The amounts contained in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) where noted (\$'000) under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Company is an entity to which this legislative instrument applies.

ASX Governance Principles and ASX Recommendations

The Australian Securities Exchange Corporate Governance Council sets out best practice recommendations, including corporate governance practices and suggested disclosures (**ASX Recommendations**). ASX Listing Rule 4.10.3 requires companies to disclose the extent to which they have complied with the ASX Recommendations and to give reasons for not following them.

Unless otherwise indicated, the ASX Recommendations including corporate governance practices and suggested disclosures have been adopted by IMDEX for the full year ended 30 June 2023. In addition, the Company has a Corporate Governance section on its website: www.imdexlimited.com (under the "Investors" heading) which includes the relevant documentation suggested by the ASX Recommendations.

The IMDEX Group's Corporate Governance Statement (**Statement**) for the financial year ended 30 June 2023 is dated as at 30 June 2023 and was approved by the Board of IMDEX (**Board**) on 26 August 2023. The extent to which IMDEX has complied with the ASX Recommendations during the year ended 30 June 2023, and the main corporate governance practices in place can be viewed in the Corporate Governance section on the Company website.

REMUNERATION

Remuneration Report

Remuneration Report (Audited)

This Remuneration Report for the year ended 30 June 2023 outlines the remuneration arrangements of the Company in accordance with the requirements of the *Corporations Act 2001* (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The report is presented under the following sections:

1. Introduction
2. FY23 highlights and FY24 outlook
3. Remuneration Governance
4. Executive Remuneration Arrangements
 - A. Remuneration principles and strategy
 - B. Approach to setting remuneration and details of incentive plans
 - C. Executive contracts
5. Executive Remuneration Outcomes for FY23
6. Non-Executive Director Remuneration
7. Additional Disclosures Relating to Options and Shares
8. Other Transactions

1. Introduction

The Remuneration Report details the remuneration arrangements for Key Management Personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

The table below details the KMP of the Company during FY23. Each was a KMP for the entire period unless otherwise stated. For the purposes of this report, the term “Executive” includes the Senior Executives of the Company.


Non-Executive Directors

Mr A. Wooles	Non-Executive Chair
Mr K. Dundo	Non-Executive Director (ceased 6 October 2022)
Mr I. Gustavino	Non-Executive Director
Ms S. Layman	Non-Executive Director
Ms T. Arlaud	Non-Executive Director
Mr U. Airhiavbere	Non-Executive Director (appointed 19 December 2022)

Senior Executives

Mr P. House	Chief Executive Officer
Mr P. Evans	Chief Financial Officer
Mr S. Southwell	Chief Operating Officer
Ms M. Carey	Chief of Product Management and Marketing
Mr M. Tomasz	General Counsel and Company Secretary

2. FY23 highlights and FY24 outlook

FY23 Executive fixed remuneration increases	10% average increase	<p>An executive remuneration review was conducted whereby each incumbent's remuneration was assessed against relevant external market comparators, together with individual performance, role complexity and internal relativity.</p> <p>As a result, the CEO's base salary increased 7% from \$750,000 to \$800,000 per annum during FY23. Other Senior Executives received annual base salary increases ranging from 2% to 17%.</p> <p><i>See Section 5 Statutory Remuneration for Executive KMP for more details.</i></p>
FY23 Short-term incentive ("STI") outcomes	56% of maximum	<p>Underlying core business performance and achievement of Corporate objectives relating to STIs have been strong throughout FY23 including EBITDA exceeding budget, Group Lost Time Injury Frequency Rate (LTIFR) beating expectations, and mandatory Compliance and Safety training fully completed.</p> <p>EBITDA: Consistent with prior years, budgeted EBITDA has been adjusted for significant unbudgeted items. Adjustments relate to the unbudgeted acquisition impacts during the year (Devico and Krux) and excess legal fees.</p> <p>Board discretion: Whilst the adjusted EBITDA result exceeded budget, the self-funding nature of the STI plan limited incentive outcomes for senior management (including Executives) up to 32% of their maximum STI. Upon its review of the overall FY23 performance the Board considered the impact of the Devico acquisition requiring senior management to rapidly change tact partway through the year and divert resources to execute on the Company's most substantial transaction to date. Based on the calculated STI award values for senior management, the Board determined these outcomes to be incongruent with the activities and outcomes realised from the transaction. As such, the Board exercised its discretion for Executives and Senior Management to receive up to a maximum of 56% of their STI opportunity, 50% of which will be awarded in performance rights subject to a 12-month deferral period requiring continued employment. The remaining 50% will be awarded as cash.</p> <p><i>See Section 5 Executive Remuneration Outcomes for FY23 for more details.</i></p>
FY23 Long-term incentive ("LTI") outcomes	65% of maximum	<p>The 2019 LTI (FY20) three-year performance period ended on 30 June 2022. As a result of performance testing undertaken in September 2022, the Board approved vesting of this award at 65% based on a combined percentile rank of the Company's TSR and EPS performance relative to the peer companies.</p> <p>Regarding the 2020 LTI (FY21) award the final outcomes will be confirmed in September 2023 and results disclosed in the FY24 Remuneration Report.</p> <p><i>See Section 5 Executive Remuneration Outcomes for FY23 for more details.</i></p>
FY23 Non-Executive Directors (NEDs) remuneration increases	9-20% increase	<p>During FY23 the Board reviewed the NED fee structure (including policy base and committee fees) considering relevant benchmarking data and responsibilities of individual members.</p> <p>As a result, effective 1 October 2022, policy base fees increased by \$20,000 for both the Chairman (9% increase vs. FY22) and Board members (18% increase vs. FY22). Committee fees have been increased by \$5,000 for the Chair (20% increase vs. FY22) and committee members now receive \$10,000 (previously no committee member fee).</p> <p>Note there has been no increase to the aggregate NED fee pool of \$950,000 (as approved by shareholders at the 2021 AGM).</p> <p><i>See Section 6 for disclosures regarding our NEDs.</i></p>
FY23 Executive Remuneration Framework and FY24 outlook		<p>As part of the annual review, the Board in conjunction with external advisors Willis Towers Watson (WTW), considered the current Executive Remuneration Framework (including the STI/LTI) to ensure design principles and outcomes continue to align with requirements of the business whilst remaining market competitive for an ASX200 company.</p> <p>The outcome of the review includes greater disclosure for the treatment of individually significant items when calculating STI and LTI outcomes (<i>see section 4 of this remuneration report</i>). Other opportunities for change will be considered over the coming year including the STI funding and gateway approach and minimum shareholding guidelines.</p> <p>The Board welcomes ongoing shareholder feedback to ensure IMDEX's remuneration remains appropriate.</p>

3. Remuneration Governance

Remuneration and Nomination Committee

The Remuneration and Nomination Committee (the Committee) comprises three independent NEDs.

The Committee has delegated decision making authority for some matters related to the remuneration arrangements for NEDs and Executives and is required to make recommendations to the Board on other matters.

Specifically, the Board approves the remuneration arrangements of the Chief Executive Officer (CEO) and other Executives, and all awards made under the short-term incentive (STI) and long-term incentive (LTI) plans, following recommendations from the Committee. The Board also sets the aggregate remuneration of NEDs, which is then subject to shareholder approval, and NED fee levels. The Committee approves the level of the STI pool, having regard to the recommendations made by the CEO.

The Committee meets regularly through the year. The CEO attends certain Committee meetings by invitation, where management input is required and is not present during any discussions related to his own remuneration arrangements.

Further information on the Committee's role, responsibilities and membership can be seen at www.imdexlimited.com

Stakeholder consultation

As part of the Board's commitment to good governance, the Committee considers the views of shareholders and other key stakeholders when setting the remuneration framework and / or determining remuneration outcomes for the KMP. Each year the Committee proactively undertakes consultation with institutional shareholders and proxy advisors on remuneration and governance matters. Feedback from stakeholders is considered and used as a key input into decision-making by the Board / Committee for continuous improvement ensuring the appropriateness of KMP remuneration arrangements. The Board / Committee considers the stakeholder consultation approach provides a robust mechanism to inform decisions and outcomes that are in the interests of the Company and its shareholders.

Use of remuneration consultants

To ensure the Committee is fully informed when making remuneration decisions, it seeks external remuneration advice. Remuneration consultants are engaged by, and report directly to the Committee. In selecting remuneration consultants, the Committee considers potential conflicts of interest and requires independence from the Company's KMP and other Executives as part of their terms of engagement.

During the financial year, the Committee engaged The Reward Practice Pty Ltd as remuneration consultants to provide remuneration services in respect to external benchmarking for NED fees with a total fee of \$6,500 for these services. During the period no remuneration recommendations, as defined by the *Corporations Act*, were provided by The Reward Practice Pty Ltd.

Remuneration report approval at 2021 AGM

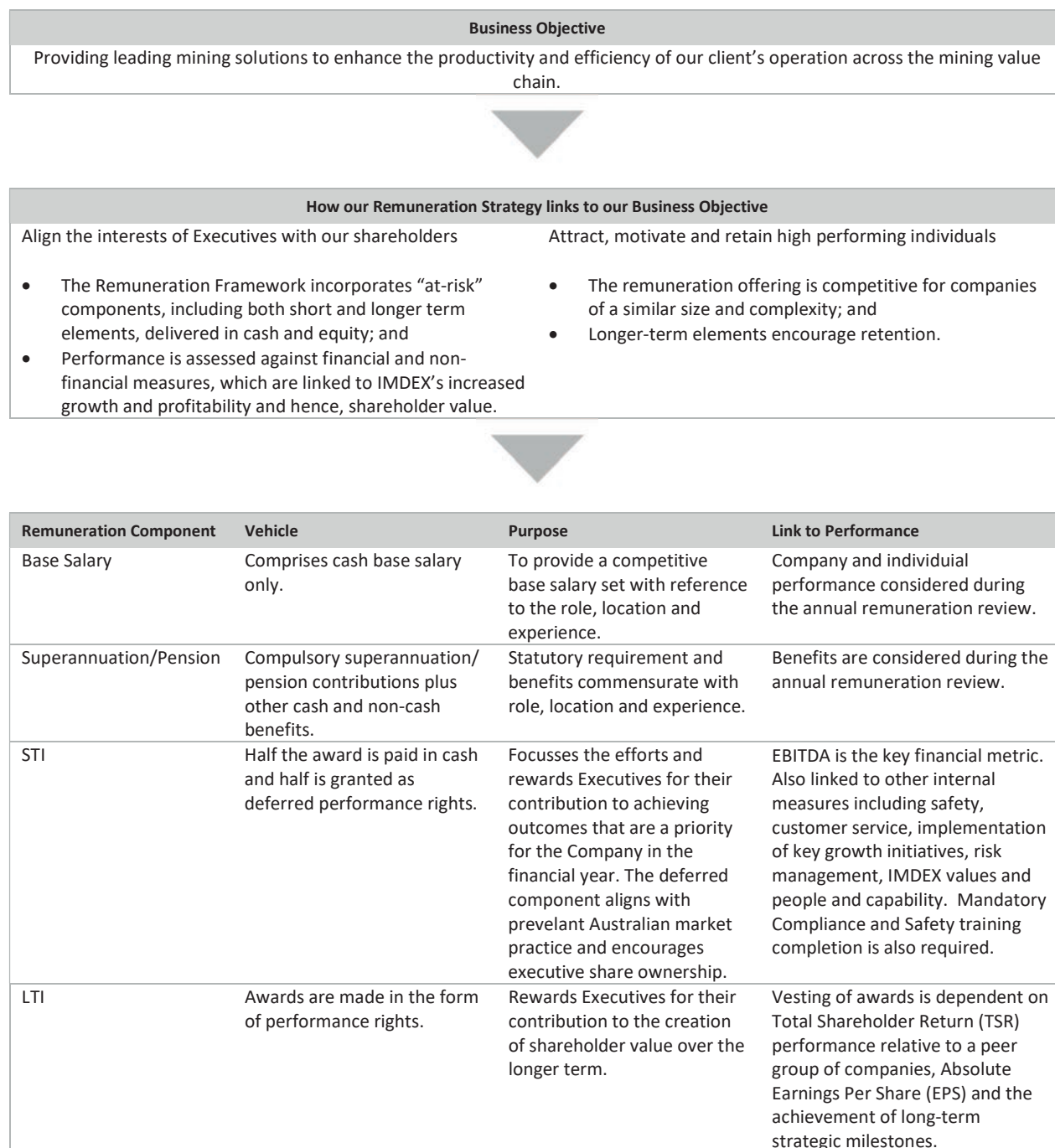
The FY22 Remuneration Report received strong shareholder support at the 2022 AGM with a vote of 99.54% in favour.

4. Executive Remuneration Arrangements

4A: Remuneration principles and strategy

IMDEX's Executive remuneration strategy is designed to attract, motivate and retain high performing individuals and align the interests of Executives and shareholders.

The following diagram illustrates how the Company's remuneration strategy aligns with the strategic direction and links remuneration outcomes to performance.



4B: Approach to setting remuneration and details of incentive plans

In FY23, the Executive remuneration framework consisted of base salary and short and long-term incentives as outlined below.

Overall remuneration level and mix

How is overall remuneration and mix determined?

Remuneration levels are considered annually through a review that considers comparative market data, the performance of the Company and individual, and the broader economic environment.

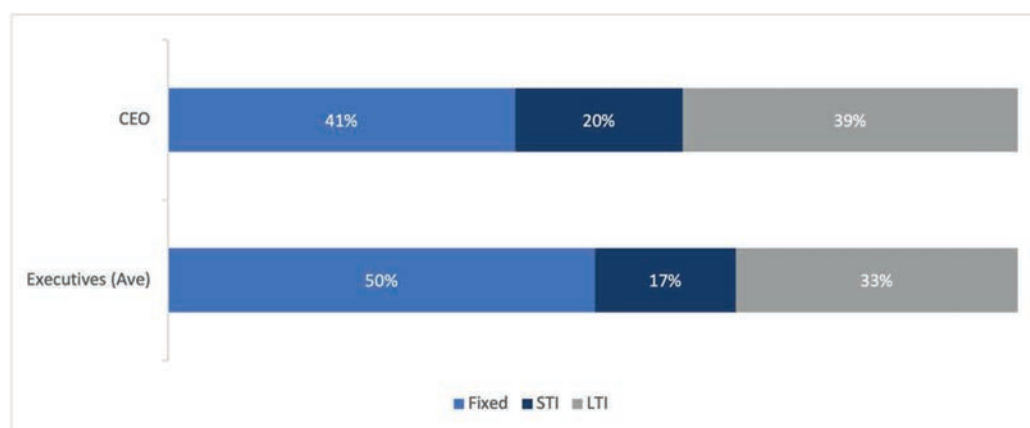
The Company aims to reward Executives with a level and mix (proportion of base salary and other benefits, short term incentives and long-term incentives) of remuneration appropriate to their position, responsibilities, and performance within the Company and that which is aligned with targeted market comparators.

Comparative companies are based on the following:

- Industry peers with similar market capitalisation;
- Mining, Equipment, Technology and Services companies with comparable market capitalisation; and
- Other industry companies with which IMDEX competes for talent.

The Company's policy is to position Executives base salary around the 62.5 percentile of its targeted market comparators.

The chart below summarises the CEO other Executives' remuneration mix based on maximum opportunity for Fixed Remuneration (base salary plus superannuation), STI and LTI. The mix is considered appropriate for IMDEX based on market relativity and alignment to the Company's short term and long-term strategic imperatives.



Base salary and other benefits

How is base salary and other benefits reviewed and approved?

Base salary and other benefits are reviewed annually from benchmarked remuneration data, and any changes for Executives are subject to approval from the Board considering recommendations from the Remuneration and Nomination Committee.

Short Term Incentives

What is the STI plan? The Company operates an annual STI program that is available to Executives subject to the attainment of clearly defined Company and individual financial and non-financial measures.

Actual STI payments awarded to each Executive depend on the extent to which performance criteria set at the beginning of the financial year are met. Half the STI award is paid in cash and half is delivered as deferred performance rights (Rights) which may vest after 12 months subject to continued employment.

What are the performance criteria and how do they align with business performance? The performance criteria consist of several Key Performance Indicators (KPIs) covering financial and non-financial, corporate, and business unit measures of performance which are focussed on key performance drivers for the business. Within each KPI, stretch objectives are set.

Executives will only be eligible for a payment to the extent that the overarching EBITDA Gate is met or exceeded and 100% of mandatory compliance and safety training is achieved. EBITDA is considered a key measure against which Management and the Board assess the short-term financial performance of the Company.

Targets are set based on budget, adequacy of challenge and business objectives. Targets reflect business expectations at that time and may vary from prior year performance depending on economic and market conditions. The targets and outcomes may be adjusted (up or down) to exclude the impacts of uncontrollable items such as fair value gains on deferred consideration and gains on sale of investment.

The performance criteria and weightings are summarised as follows:

Performance Criteria	Weighting	Detail of Measures
Corporate	50%	Based on Group EBITDA outcomes* versus target
Safety	20%	Based on Group LTIFR versus target
Individual Performance	30%	<p>Based on key measures identified annually for the executive and assessed against expectations for the role. A combination of scores assessed for executives based on individual goals relating to:</p> <ul style="list-style-type: none"> • Customer Focus and Technical Leadership • Operational Excellence & Quality • Risk, Compliance & Safety • People & Capability • IMDEX Values • Strategic Initiatives <p>As part of the assessment, the participant will be considered against the IMDEX values as part of determining final outcomes.</p>

**To provide an accurate representation of the company's ongoing operational performance and to ensure employee rewards align with sustainable short-term value creation, any unbudgeted non-recurring or non-operational events or transactions that are not expected to occur regularly or are unrelated to the underlying operating activities of the company (i.e. "One-off" or "Individually Significant Items") such as, gains or losses from business and asset acquisitions, and significant litigation settlements may be excluded from the EBITDA calculation.*

What is the value of the STI award opportunity? The CEO has a maximum STI opportunity of 50% of base salary. Other Executives have a maximum STI opportunity of up to 35% of base salary if the EBITDA Gate is exceeded and all the stretch targets are met.

How are STI payouts determined? On an annual basis, after consideration of performance against KPIs (including satisfying the EBITDA Gate and 100% completion of the mandatory Compliance and Safety training), the Board in line with their responsibilities, determine the amount (if any) of the STI to be paid to each Executive, seeking recommendations from the CEO as appropriate. The use of the EBITDA Gate ensures that the STI payouts are affordable to the business and are capped at the sum of the individual's maximum opportunity.

What happens to STI awards on cessation of employment? If an Executive ceases employment before the end of the financial year, generally no STI is awarded for that year subject to overarching Board discretion.

What happens to STI awards on cessation of employment? (continued) Where a participant ceases employment prior to the deferred portion of their STI award vesting due to resignation or for cause, the Rights will be forfeited. Where a participant ceases employment due to a qualifying reason (death, total and permanent disability, retirement, or redundancy), then vesting will be determined based on the amount of performance period remaining and subject to Board discretion.

Long Term Incentive

What is the LTI plan? Under the LTI plan, annual grants of performance rights (Rights) are made to Executives to align remuneration with creation of shareholder value over the long-term.

How much can Executives earn? The number of Rights granted is calculated on a Face Value basis. The CEO has a maximum LTI opportunity of 100% of base salary. Other Executives have a maximum LTI opportunity of 70% of base salary.

Executives are not eligible to receive dividends, or dividend equivalent payments on unvested Rights.

How is performance measured? Awards are subject to three measures, weighted as follows:

	1) Relative TSR	2) Absolute EPS	3) Strategic Milestones
Weighting	50%	20%	30%
Purpose	To recognise the creation of shareholder value relative to market peers	To recognise profitable growth over the long term	To recognise the achievement of strategic milestones over the long-term

The calculation of each performance measure is outlined below:

1) Relative TSR

IMDEX's TSR is measured relative to a comparator group of ASX-listed companies comprising the ASX300 Resources Index. These companies were chosen as they are of similar size and reflect the Company's competitors for capital. The TSR for IMDEX and comparator companies is measured over three financial years (e.g., 1 July 2022 to 30 June 2025 for the FY23 LTI grant).

Relative TSR measures the percentage change in a company's share price, plus the value of dividends received during the period, assuming that all those dividends are reinvested into new shares.

The proportion of Rights that may vest based on relative TSR performance is determined based on a ranking approach. The TSR for IMDEX and each company in the comparator group is measured and the companies are ranked by their TSR performance with vesting based on the following schedule:

TSR percentile ranking of IMDEX	TSR Portion of LTI that vests (50%)
Below the 50th percentile	Nil vesting
At the 50th percentile	50%
Between the 50th percentile and 75th percentile	Pro-rata
At or above the 75th percentile	100%

Note: Notwithstanding the percentile ranking, no vesting will occur for the relative TSR portion where IMDEX's TSR for the Performance Period is negative.

How is performance measured? (continued)	<p>2) Absolute EPS</p> <p>EPS growth targets are set by the Board at the time of the LTI grant. EPS compound annual growth rate (CAGR) performance determines the proportion of rights that may vest relative to absolute EPS as follows:</p> <table border="1"> <thead> <tr> <th>EPS CAGR</th><th>EPS Portion of LTI that vests (20%)</th></tr> </thead> <tbody> <tr> <td>Below 10%</td><td>Nil vesting</td></tr> <tr> <td>10%</td><td>50%</td></tr> <tr> <td>Between 10% and 15%</td><td>Pro-rata</td></tr> <tr> <td>At or above 15%</td><td>100%</td></tr> </tbody> </table> <p>3) Strategic Milestones</p> <p>Strategic milestones and associated measures relating to IMDEX's long-term objectives are set by the Board at the time of the LTI grant. Each strategic milestone is assessed over the three-year performance period with annual progress reviews undertaken between management and the Board. Due to the sensitive nature of the initiatives related to the strategic milestones, outcomes will be provided in the remuneration report following the conclusion of the performance period.</p>	EPS CAGR	EPS Portion of LTI that vests (20%)	Below 10%	Nil vesting	10%	50%	Between 10% and 15%	Pro-rata	At or above 15%	100%
EPS CAGR	EPS Portion of LTI that vests (20%)										
Below 10%	Nil vesting										
10%	50%										
Between 10% and 15%	Pro-rata										
At or above 15%	100%										
When is performance measured?	The performance measures are tested at the end of the three-year performance period to determine the number of Rights that vest. There is no opportunity for re-testing. Rights will lapse if the performance measures are not met at the end of the performance period.										
What happens on cessation of employment?	Where a participant ceases employment prior to their award vesting due to resignation or termination for cause, all Rights will be forfeited. Where a participant ceases employment due to a qualifying reason (death, total and permanent disability, retirement, or redundancy), then vesting will be determined based on the amount of performance period remaining and subject to Board discretion.										
What happens if there is a change in control?	In these circumstances, vesting will be determined at the discretion of the Board.										

4C: Executive contracts

Remuneration arrangements for KMP are formalised in employment agreements. The following outlines the details of contracts with KMP.

CEO – Mr Paul House

Mr. House is employed under an ongoing contract, which can be terminated with notice by either side.

Under the terms of the present contract:

- Mr House receives a base salary of \$800,000 per annum.
- A maximum STI opportunity of 50% of base salary.
- Eligibility to participate in the IMDEX LTI plan on terms determined by the Board. Maximum opportunity is 100% of base salary.

Termination provisions

Termination provisions specify that the CEO or the Company may terminate the agreement without cause by giving 6 months written notice. In addition to payment for accrued but untaken annual and long service leave, an additional payment of 4 months' base salary is payable on termination by the Company where termination is affected without cause on 6 months' notice, inclusive of any redundancy payment payable to the CEO. The Company may otherwise terminate the contract on 3 months' notice (due to illness or incapacity), 1 months' notice (for misconduct) or no notice

(if engaged in criminal activity which brings the Company into disrepute). IMDEX can make a payment in lieu of notice for all or some of the applicable notice period.

All other Executives are employed on individual open-ended employment contracts that set out the terms of their employment. The termination provisions for other Executives are as follows:

Reason	Notice period	Payment in lieu of notice	Treatment of STI on termination	Treatment of LTI on termination
Resignation	Up to 6 months	Up to 6 months	Unvested awards forfeited.	Unvested awards forfeited.
Termination for cause	None	None	Unvested awards forfeited.	Unvested awards forfeited.
Termination in cases of death, disablement, redundancy, without cause	Up to 6 months	Up to 12 months	Unvested awards forfeited subject to Board discretion	Vesting will be determined based on the amount of performance period remaining and the Executive's performance, subject to Board discretion.

5. Executive Remuneration Outcomes for FY23

Company performance

A summary of IMDEX's business performance as measured by a range of financial and other indicators, including disclosure required by the *Corporations Act 2001*, is outlined in the table below.

Measure	FY23	FY22	FY21	FY20	FY19
Revenue (\$'000)	411,398	341,843	264,375	237,691	243,655
EBITDA (\$'000)	100,514	101,987	78,418	58,072	52,336
Normalised EBITDA (\$'000)	122,578 ¹	104,858 ²	75,501 ²	54,447 ²	52,336
Net profit before tax (\$'000)	54,597	62,566	44,531	29,142	37,452
Net profit after tax (\$'000)	34,995	44,711	31,667	21,758	27,608
Share price at start of year (cents)	184.5	204.0	111.0	131.0	123.5
Share price at end of year (cents)	189.5	184.5	204.0	111.0	131.0
Interim dividend (cents) – fully franked	1.5	1.5	1.0	1.0	0.8
Final dividend (cents) – fully franked	2.1	1.9	1.4	0.7	1.4
Special dividend (cents) – fully franked	-	-	0.4	2.0	-
Basic earnings per share (cents)	7.95	11.28	8.01	5.64	7.37
Normalised basic earnings per share (cents)	12.01 ¹	11.85 ²	7.27 ²	4.70 ²	7.37
Diluted earnings / (loss) per share (cents)	7.55	10.80	7.80	5.46	7.01

¹ FY23 stated before \$11.1m exceptional litigation costs relating to costs incurred in respect of international IP infringement matters, \$10.6m Devico transaction and integration costs and \$0.4m impairment loss on COREVIBE.

² FY22 stated before a net expense of \$2.9m impairment loss, being an impairment loss on COREVIBE IP, inventory and associated fixed assets of \$14.1m offset by the related \$11.2m estimated deferred consideration no longer payable; FY21: \$2.9m gain on deferred consideration fair value adjustment for Flexidrill and AusSpec; FY20 \$3.6m gain on VES sale.

Company performance and its link to short-term incentives

An STI payment will only be made to the extent that the overarching EBITDA Gate is met or exceeded and 100% of mandatory compliance and safety training is completed by the Executive.

IMDEX's actual EBITDA performance to budget target over the three financial years from 1 July 2020 to 30 June 2023:

Financial year	EBITDA vs Gate
FY23	Exceeded
FY22	Exceeded
FY21	Exceeded

Mandatory Compliance and Safety training completion:



Compliance and safety training programs 100% completed by all Executives.

Performance in FY23

The table below sets out the STI measures for FY23 and performance outcomes against those measures.

Funding Gateway: Under the STI, payments for Executives and senior management are 100% profit funded once the adjusted EBITDA target has been achieved. For FY23, whilst the EBITDA Gateway was exceeded, a partial funding resulted for Executive and senior management awards. In accordance with the STI plan rules, the Board in its absolute discretion determines the amount (if any) of the STI to be paid based on organisational performance, business affordability, whilst limiting outcomes for each individual to their maximum % opportunity. In consideration of these factors including the impact of the Devico transaction, the Board exercised its discretion to award a maximum of up to 56% of the STI opportunity for Executives and senior management.

Objective	Weighting	Performance Achieved/Comments	% Achieved
Corporate	50%	<p>FY23 EBITDA of \$122.6m (normalised) is a material improvement on the FY22 results reflecting growth in the core business and new business initiatives whilst completing 2 strategic business investments (Devico and Krux).</p> <p>Consistent with prior years, budgeted EBITDA has been adjusted for significant unbudgeted items. Adjustments relate to unbudgeted impacts of the acquisitions (Devico and Krux) and the excess legal fees.</p> <p>All Executives completed 100% of mandatory compliance and safety training.</p> <p>This has resulted in this portion of the STI being awarded in full.</p>	50%
Safety	20%	Actual LTIFR of 0.83 was significantly ahead of the FY23 target <2.98 resulting in this portion of the STI being awarded in full.	20%
Individual	30%	<p>Individual objectives for the year related to achieving key results across four strategic pillars: Investing in Culture & Safety, Core Business, Critical Business Systems, and Transformation.</p> <p>Based on individual performance throughout the year, Executives met or exceeded expectations achieving 100% to 120% of outcomes.</p> <p>The Board assessed the CEO's individual performance as meeting all expectations at 100%.</p>	30 – 36%

The following table outlines the STI outcomes for Executives, including the proportion of maximum STI that was earned and forfeited in relation to FY23.

Executive	Corporate Outcome	Safety Outcome	Individual Outcomes	Overall Outcomes	STI Awarded ¹	Percentage of maximum STI	
	(%)	(%)	(%)	(% of base salary)	(\$)	Awarded	Forfeited
Mr P. House	100	100	100	25.0	200,000	50%	50%
Mr P. Evans	100	100	100	17.5	84,000	50%	50%
Mr S. Southwell	100	100	100	17.5	96,250	50%	50%
Ms M. Carey	100	100	120	19.6	94,080	56%	44%
Mr M. Tomasz	100	100	100	17.5	78,750	50%	50%

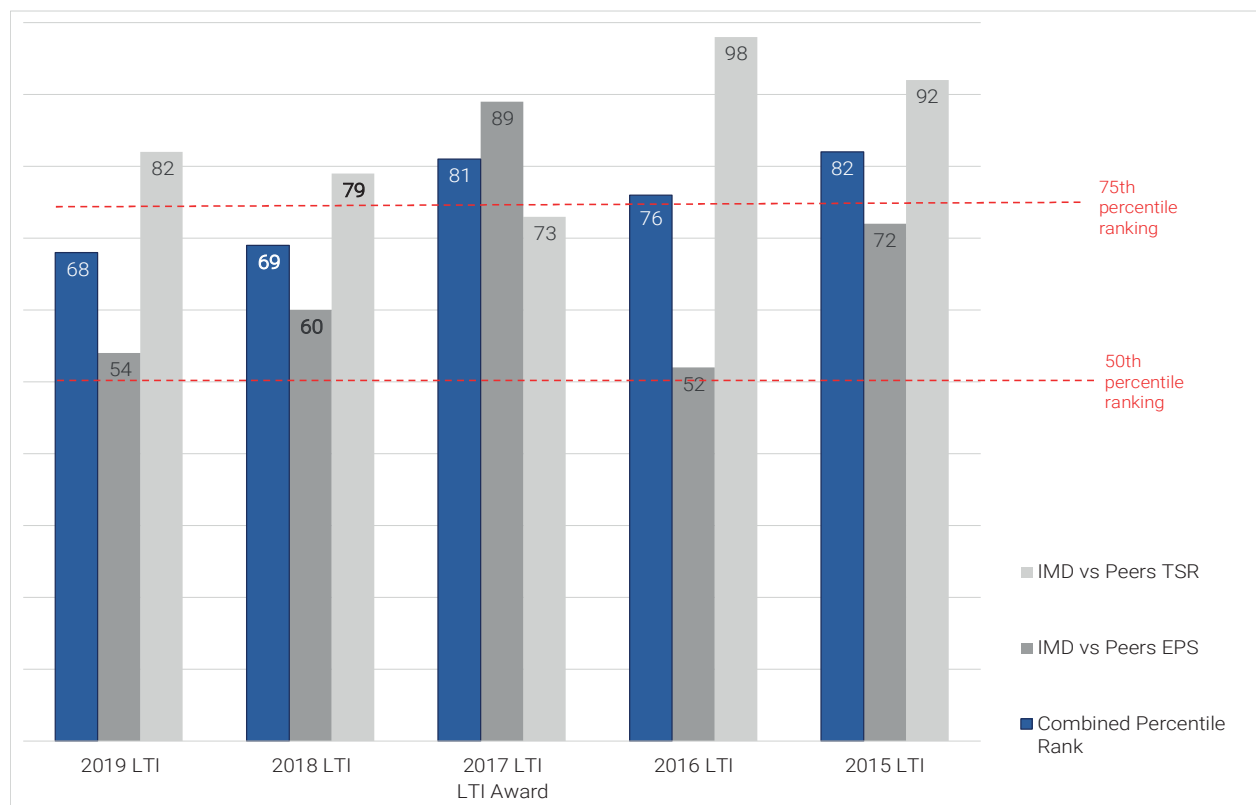
1. FY23 STI will be paid in September 2023, after the end of the performance period and following the audited financial results.

Mandatory Deferral of STI for the Executives

To promote increased shareholding in the Company, and in line with approved FY22 changes to the executive remuneration framework, 50% of the FY23 STI award will be awarded as deferred Rights to IMDEX Limited shares. The Rights will be deferred for twelve months, vesting in July 2024 and are subject to continued service.

Company performance and its link to long-term incentives

LTI vesting for grants made prior to FY22 is driven by the Company's TSR and EPS performance relative to the companies within the ASX 300 Resources Index peer group. The chart below shows the performance of Imdex as measured by the Company's three-year relative TSR and EPS compared to the peer group for each of the LTI grants vesting over the past five years. Note the 2020 LTI performance outcomes will be finalised in September 2023 and therefore results will be published in the 2024 Remuneration Report.



The following table provides a summary of the Company's performance and vesting outcomes for each of the LTI grants.

	2019 LTI ¹	2018 LTI	2017 LTI	2016 LTI
Grant Date	Jul-19	Jul-18	Jul-17	Jul-16
Expiry Date	Jun-22	Jun-21	Jul-20	Jul-19
IMDEX 3-year TSR	142%	62%	66%	382%
IMDEX 3-year EPS Growth	53%	40%	395%	132%
Combined Percentile Rank	68 th	69 th	81 st	76 th
Vesting Percentage	65%	65%	85%	76%

¹ 2019 (FY20) LTI outcome has been updated to reflect final performance testing undertaken in September 2022.

Statutory Remuneration for Executive KMP

The following table sets out total remuneration for Executive KMP in FY23 and FY22, calculated in accordance with statutory accounting requirements.

Executive	Year	Short-term benefits			Long-term Benefits ²		Post-employment Benefits		LTIP Share-based payments ³	Termination Benefits	Total	% Performance related
		Cash Salary	Bonus ¹	Non-monetary ⁷	Other	Leave	Super	Other				
Mr P. House ⁴	FY23	800,000	200,000	69,789	-	27,874	27,500	-	350,529	-	1,475,692	37%
	FY22	750,000	375,000	42,653	-	16,291	27,500	-	396,354	-	1,607,798	48%
Mr P. Evans	FY23	480,000	84,000	34,893	-	13,093	27,500	-	81,730	-	721,216	23%
	FY22	469,573	164,351	(6,128)	-	9,617	27,500	-	164,411	-	829,324	40%
Mr S. Southwell	FY23	550,000	96,250	4,505	-	15,759	27,500	-	157,589	-	851,603	30%
	FY22	470,000	164,500	27,897	-	8,999	27,500	-	140,814	-	839,710	36%
Ms M. Carey	FY23	480,000	94,080	24,584	1,886	16,559	27,500	-	85,489	-	730,098	25%
	FY22	440,000	154,000	15,956	-	19,482	27,500	-	163,119	-	820,057	39%
Mr M. Tomasz	FY23	450,000	78,750	5,738	-	3,861	27,500	-	158,312	-	724,161	33%
	FY22	400,000	140,000	8,903	-	-	27,500	-	88,007	-	664,410	34%
Mr M. Regan ⁵	FY23	-	-	-	-	-	-	-	-	-	-	-
	FY22	324,206	113,808	(18,607)	-	(12,711)	27,500	-	57,756	281,098	773,050	22%
Mr T. Price ⁶	FY23	-	-	-	-	-	-	-	-	-	-	-
	FY22	102,767	-	(69,494)	36,815	-	5,899	-	(12,850)	-	63,137	-
Totals	FY23	2,760,000	553,080	139,509	1,886	77,146	137,500	-	833,649	-	4,502,770	31%
	FY22	2,956,546	1,111,659	1,180	36,815	41,678	170,899	-	997,611	281,098	5,597,487	38%

1. 50% of the FY23 STI will be paid in cash in September 2023, after the end of the performance period. The remaining 50% will be awarded as deferred Rights to IMDEX Limited shares. Please refer to Section 5 – Mandatory Deferral of the STI.

2. Other long-term benefits are the accounting expense of long-service leave movements in FY23.

3. LTIP Share-based payments are calculated in accordance with Australian Accounting Standards and are the amortised fair value of equity-related awards that have been granted to Executives.

4. Mr House elected, and the Board agreed to defer his entire FY21 award into Rights to IMDEX Limited shares. The Rights were deferred for three years, vesting in 2024 and are subject to continued service. The Board also resolved to match the deferred component of the award at the future vesting date, subject to Mr House's continued service over the period.

5. Mr Regan left employment with the Company and ceased as a member of KMP on 1 April 2022. Data for FY22 and FY23 in the table above is reflective of this change.

6. Mr Price left employment with the Company and ceased as a member of KMP on 1 September 2021. Data for FY22 and FY23 in the table above is reflective of this change.

7. The non-monetary benefits include the accounting expense of annual leave movement.

6. Non-Executive Director Remuneration

Remuneration policy

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The amount of aggregate remuneration sought to be approved by shareholders and the fee structure is reviewed annually against fees paid to Non-Executive Directors of comparable ASX listed companies with similar market capitalisation of the Company, as well as similar sized industry comparators. The Board considers advice from external consultants when undertaking the annual review process.

The Company's constitution and the ASX listing rules specify that the NED fee pool shall be determined from time to time by a general meeting. The latest determination was at the 2021 AGM when shareholders approved an aggregate fee pool of \$950,000 per annum.

Structure

The remuneration of NEDs consists of Director Fees and Committee Fees. The payment of additional fees for serving as a Chair on a committee recognises the additional time commitment required by NEDs who serve on sub-committees. To ensure independence, NEDs do not participate in any incentive schemes.

The table below summarises the NED fee policy for FY23c:

Director Fees	
Board Chair	\$240,000
Non-Executive Directors	\$130,000
Committee Fees	
Committee Chair	\$30,000
Committee Member	\$10,000

The remuneration of NEDs for FY23 and FY22 is detailed below.

Non-Executive Director	Year	Short-term benefits		Post-employment benefits	Total
		Director Fees	Committee Fees	Superannuation	
Mr. A. Wooles	FY23	234,615	28,654	-	263,269
	FY22	220,000	25,000	-	245,000
Ms. S. Layman	FY23	125,000	28,750	-	153,750
	FY22	110,000	25,000	-	135,000
Mr. K. Dundo ¹	FY23	26,754	287	2,839	29,880
	FY22	100,000	-	10,000	110,000
Mr. I. Gustavino	FY23	119,299	7,263	5,939	132,501
	FY22	100,000	-	10,000	110,000
Ms T. Arlaud	FY23	125,000	5,615	-	130,615
	FY22	110,000	-	-	110,000
Mr U Airhiavbere ²	FY23	70,000	3,864	-	73,864
	FY22	-	-	-	-
Totals	FY23	700,668	74,433	8,778	783,879
	FY22	640,000	50,000	20,000	710,000

1. Mr K. Dundo retired from the Board effective 6 October 2022.

2. Mr U Airhiavbere appointed to the NED effective 19 December 2022.

7. Additional Disclosures Relating to Options and Shares

Performance Rights awarded, vested and lapsed during the year

The following table sets out the Rights held by Executives, including the movements in Rights held during FY23.

Executive	Balance at start of period 1 July 2022	Granted as remuneration	Performance Rights exercised	Performance Rights lapsed/ forfeited	Balance ¹ at end of period 30 June 2023
Mr P. House	1,109,682	511,658	(126,190)	(66,613)	1,428,537
Mr P. Evans	452,786	216,671	(88,252)	(46,587)	534,618
Mr S. Southwell	357,570	242,099	(32,246)	(23,134)	544,289
Ms M. Carey	455,392	213,989	(84,574)	(44,645)	540,162
Mr M. Tomasz	168,453	199,481			367,934
Totals	2,543,883	1,383,898	(331,262)	(180,979)	3,415,540

1. Includes Performance Rights held directly, indirectly and beneficially by Executives.

KMP Shareholdings

The table below details the number of shares held in IMDEX and the movement during FY23.

	Class of shares	Balance at start of period 1 July 2022	Shares allocated under remuneration framework ¹	Net change Other	Balance ¹ at end of period 30 June 2022	Number of Performance Rights ² not vested at year-end
Non-Executive Directors						
Mr A. Wooles	Ordinary	250,000	-	1,363,636	1,613,636	-
Ms S. Layman	Ordinary	70,000	-	87,083	157,083	-
Mr K. Dundo ³	Ordinary	204,546	-	-	204,546	-
Mr I. Gustavino	Ordinary	-	-	22,728	22,728	-
Ms T. Arlaud	Ordinary	-	-	-	-	-
Mr. U. Airhiavbere	Ordinary	-	-	-	-	-
Senior Executives						
Mr P. House	Ordinary	266,419	126,190	521,794	914,403	1,428,537
Mr P. Evans	Ordinary	689,189	88,252	(85,833)	691,608	534,618
Mr S. Southwell	Ordinary	36,795	32,246	14,000	83,041	544,289
Ms M. Carey	Ordinary	270,743	84,574	6,769	362,086	540,162
Mr M. Tomasz	Ordinary	-	-	-	-	367,934
Totals	Ordinary	1,787,692	331,262	1,930,177	4,049,131	3,415,540

1. All shares were issued for nil consideration.

2. Includes Ordinary Shares and Performance Rights held directly, indirectly and beneficially by KMP.

3. Mr K. Dundo retired from the Board effective 6 October 2022. Closing balance is at this date.

8. Other Transactions

There are no other transactions and balances with key management personnel and their related parties.

End of Remuneration Report.

Signed in accordance with a resolution of the Directors made pursuant to S.298(2) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in black ink, appearing to be 'A. Wooles', with a long horizontal flourish extending to the right.

Mr. Anthony Wooles

Chairman

PERTH, Western Australia, 26 August 2023

DIRECTORS' DECLARATION

The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Group;
- (c) in the Directors' opinion, the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in note 1.1 to the financial statements; and
- (d) the Directors have been given the declarations required by s.295A of the *Corporations Act 2001*.

At the date of this declaration, the company is within the class of companies affected by *ASIC Corporations (Wholly owned Companies) Instrument 2016/785*. The nature of the deed of cross guarantee is such that each company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee.

In the directors' opinion, there are reasonable grounds to believe that the Company and the companies to which *ASIC Corporations (Wholly owned Companies) Instrument 2016/785* applies, as detailed in note 5.3 to the financial statements will, as a group, be able to meet any liabilities to which they are, or may become, subject because of the deed of cross guarantee.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the *Corporations Act 2001*.



Dated at PERTH, Western Australia, 26 August 2023

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FINANCIAL STATEMENTS

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 30 June 2023

	Notes	Year Ended 30 June 2023 \$'000	Year Ended 30 June 2022 \$'000
Continuing operations			
Revenue from sale of goods, rentals and software	2.3	411,398	341,843
Other income	2.5	-	526
Raw materials and consumables used		(129,336)	(104,543)
Employee benefits expense	2.3	(103,981)	(83,777)
Depreciation and amortisation expense	2.3	(41,188)	(36,209)
Finance income		996	186
Finance costs	2.3	(5,725)	(3,398)
Impairment loss net of related fair value adjustment	2.7	(372)	(2,871)
Other expenses	2.3	(75,523)	(48,516)
Share of loss of associates	4.9	(1,672)	(675)
Profit before tax from continuing operations		54,597	62,566
Income tax expense	5.1	(19,602)	(17,855)
Profit for the period from continuing operations		34,995	44,711
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences arising on the translation of foreign operations		4,715	3,813
Other comprehensive income for the year, net of income tax		4,715	3,813
Total comprehensive income for the year		39,710	48,524
Profit attributable to owners of the parent		34,995	44,711
Total comprehensive income attributable to owners of the parent		39,710	48,524
Earnings per share			
Basic profit per share (cents)	2.1	7.95	11.28
Diluted profit per share (cents)	2.1	7.55	10.80

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position as at 30 June 2023

	Notes	30 June 2023 \$'000	30 June 2022 \$'000
Current assets			
Cash and cash equivalents	3.1	58,128	36,368
Trade and other receivables	4.1	90,072	73,349
Inventories	4.2	68,627	57,061
Current tax assets	5.1	7,126	1,939
Assets classified as held for sale	4.10	7,351	-
Other		11,346	7,201
Total current assets		242,650	175,918
Non-current assets			
Property, plant and equipment	4.3	58,185	55,538
Right-of-use assets	4.4	32,120	28,189
Intangible assets	4.5	420,868	97,793
Investment in associates	4.9	13,871	5,031
Deferred tax assets	5.1	33,815	27,590
Other		4,635	3,551
Total non-current assets		563,494	217,692
Total assets		806,144	393,610
Current liabilities			
Trade and other payables	4.6	46,319	34,696
Lease liabilities	4.4	5,789	4,301
Deferred consideration	4.8	-	2,936
Current tax liabilities	5.1	4,474	5,565
Borrowings	3.2	28,000	-
Provisions	4.7	7,973	6,067
Total current liabilities		92,555	53,565
Non-current liabilities			
Lease liabilities	4.4	32,511	30,350
Borrowings	3.2	95,048	12,166
Provisions	4.7	293	303
Deferred tax liabilities	5.1	29,529	-
Total non-current liabilities		157,381	42,819
Total liabilities		249,936	96,384
Net assets		556,208	297,226
Equity			
Issued capital	3.3	401,164	169,078
Reserves	5.4	20,680	13,635
Retained earnings		134,364	114,513
Total equity		556,208	297,226

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement Of Changes in Equity for the Year Ended 30 June 2023

Notes	Shares Reserved for Performance Rights Plan	Foreign Currency Translation Reserve	Share-based Payment Reserve	Reserves Total	Fully Paid Ordinary Shares	Retained Earnings	Total Attributable to Equity Holders of the Entity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2021	(123)	(6,854)	8,065	1,088	169,078	82,885	253,051
Exchange differences on translation of foreign operations after taxation	-	-	-	-	-	-	-
Profit for the year	-	3,813	-	3,813	-	-	3,813
Total comprehensive income for the year	-	3,813	-	3,813	-	44,711	44,711
Share based payments – performance rights	(1,463)	-	6,277	4,814	-	-	4,814
Tax effect on the share-based payments	-	-	349	349	-	-	349
Share based payments – MinePortal	-	-	7,575	7,575	-	-	7,575
Granting/settlement of performance rights	-	-	(4,214)	(4,214)	-	-	(4,214)
Others	-	-	210	210	-	-	210
Dividends paid	-	-	-	-	-	(13,083)	(13,083)
Balance at 30 June 2022	(1,586)	(3,041)	18,262	13,635	169,078	114,513	297,226
Exchange differences on translation of foreign operations after taxation	-	4,715	-	4,715	-	-	4,715
Profit for the year	-	-	-	-	-	34,995	34,995
Total comprehensive income for the year	-	4,715	-	4,715	-	34,995	39,710
Share based payments – performance rights	(906)	-	9,076	8,170	-	-	8,170
Tax effect on the share-based payments	-	-	943	943	-	-	943
Settlement of performance rights	-	-	(3,511)	(3,511)	-	-	(3,511)
Share based payments – MinePortal	-	-	(3,272)	(3,272)	3,272	-	-
Equity raising in relation to the acquisition of Devico AS	-	-	-	-	215,824	-	215,824
Shares issued as partial consideration for the acquisition of Devico AS	-	-	-	-	12,990	-	12,990
Dividends paid	-	-	-	-	-	(15,144)	(15,144)
Balance at 30 June 2023	(2,492)	1,674	21,498	20,680	401,164	134,364	556,208

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows for the Financial Year Ended 30 June 2023

	Notes	Year Ended 30 June 2023 \$'000	Year Ended 30 June 2022 \$'000
Cash flows from operating activities			
Receipts from customers		437,064	351,748
Payments to suppliers and employees		(333,015)	(282,124)
Income tax paid		(22,539)	(13,504)
Interest received		996	186
Net cash generated from operating activities	3.1	82,506	56,306
Cash flows from investing activities			
Payment for property, plant and equipment		(20,942)	(32,951)
Payment for intangible assets		(6,213)	(4,715)
Payment for deferred consideration	4.8	(3,308)	(1,000)
Payment for acquisitions (net of cash acquired)	5.2	(305,295)	(8,667)
Payment for the investment in associates		(10,367)	(5,706)
Net cash used in investing activities		(346,125)	(53,039)
Cash flows from financing activities			
Repayment of borrowings		(15,910)	-
Proceeds from borrowings, net of costs		117,079	-
Interest and other costs of finance paid		(3,202)	(585)
Proceeds from issue of ordinary shares, net of costs		215,824	-
Dividends paid		(15,144)	(13,083)
Cash paid due to settlement of performance rights		(3,511)	(4,214)
Repayment of lease liabilities		(9,275)	(7,425)
Net cash provided by/(used) in financing activities		285,861	(25,307)
Net increase/(decrease) in cash and cash equivalents		22,242	(22,040)
Cash and cash equivalents at the beginning of the financial year		36,368	58,477
Effects of foreign exchange rate changes		(482)	(69)
Cash and cash equivalents at the end of the financial year	3.1	58,128	36,368

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

About this Report

IMDEX Limited (the “Company”) is a listed public company, incorporated in Western Australia and along with its subsidiaries (collectively the “Group”) operates in Asia-Pacific, Africa / Europe and the Americas. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

1.1 Basis of Presentation

The Financial Report has been prepared on the going concern basis and on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted and accounting policies have been applied consistently in all periods presented.

The amounts contained in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) where noted (\$'000) under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Company is an entity to which this legislative instrument applies.

The Financial Report:

- has been prepared in accordance with Australian Accounting Standards (AASBs), including Australian Accounting Interpretations adopted by the Australian Accounting Standards Board, and the *Corporations Act 2001*. The Financial Report of the Group also complies with International Financial Reporting Standards (IFRSs) and Interpretations as issued by the International Accounting Standards Board (IASB);
- presents reclassified comparative information where appropriate to enhance comparability with the current period presentation.
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Group and effective for reporting periods beginning on or after 1 July 2022. Refer to note 1.3 for further details;
- does not early adopt any Accounting Standards and Interpretations that have been issued or amended but are not yet effective, unless otherwise disclosed. Refer to note 1.3 for further details; and

The financial statements were authorised for issue by the Directors on 26 August 2023.

1.2 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company has power over an entity and is exposed to, or has rights over, the variable returns of the entity, as well as the ability to use this power to affect the variable returns of the entity.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary that does not result in a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary;
- derecognises the carrying amount of any non-controlling interest;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss, and;
- reclassifies to profit or loss or transfers directly to retained earnings, as appropriate, the parent's share of components previously recognised in other comprehensive income.

Certain prior year disclosures have been reclassified for consistency with the current year presentation. These reclassifications are not material to the current period financial report.

About this Report

1.3 Changes to Accounting Policies

The Group has adopted all new and amended Australian Accounting Standards and Interpretations which were required to be applied from 1 July 2022.

Amendments to existing standards effective and adopted from 1 July 2022 but not relevant or significant to the Group:

AASB2020-3	Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and other Amendments
AASB2021-7	Amendments to Australian Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections (insofar as the Standard relates to editorial corrections that are effective for the current year)
AASB2023-2	Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules. The Company have applied the above exemption issued on 27 June 2023, which provides temporary relief from the recognition of deferred taxes arising from the Pillar Two reforms in preparation of the financial report.

New standards and amendments to standards that have been issued but not yet effective or early adopted by the Group:

Amendments to AASB 101	Classification of Liabilities as Current or Non-current
Amendments to AASB 108	Disclosure of Accounting Policies and Definition of Accounting Estimates

1.4 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined in the following notes:

- 2.3 – Revenue recognition – estimating variable consideration for volume rebates
- 4.1 – Recoverability of receivables
- 4.3 – Recoverability of non-current assets
- 4.4 – Leases
- 4.5 – Intangible assets
- 4.7 – Provisions
- 4.8 – Deferred consideration
- 4.9 – Investments in associates
- 4.10 – Assets classified as held for sale
- 5.1 – Taxation
- 5.2 – Acquisition of subsidiaries/assets
- 5.4 – Share-based payments

Operating Performance

2.1 Earnings per share

	2023 \$'000	2022 \$'000
Profit attributable to equity holders of the Company in the calculation of basic and diluted earnings per share	34,995	44,711
	Number of Shares	
Weighted average number of ordinary shares for the purposes of basic earnings per share	440,417,327	396,452,400
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	482,234,081	413,861,320
From continuing operations		
Basic earnings per share		
Including individually significant items	7.95	11.28
Excluding individually significant items (Note 2.6)	12.01	11.85
Diluted earnings per share	7.55	10.80

2.2 Segment information

The primary means by which the Board views the business and makes key decisions is based on geographical lines.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group), whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. Management will also consider other factors in determining operating segments such as the existence of a regional general manager and the level of segment information presented to the Board of Directors.

Information reported to the CODM for the purposes of resource allocation and assessment of segment performance focuses on the regions serviced. The Directors of the Company have chosen to organise the Group around different geographical markets serviced by the entity's products and services.

No operating segments have been aggregated in arriving at the reportable segments of the Group. All segments are in the business of the manufacture and sale/rental of products and software to the mining sector along the following geographical lines:

AM – Americas
APAC – Asia Pacific
AE – Africa / Europe

The operating segment results include the results of the Devico Group following completion of the acquisition on 28 February 2023.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise deferred tax assets, treasury cash, net financing costs for the Group and the corporate portion of head office costs. Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

The following is an analysis of the revenue and results for the year, analysed by reportable segment.

Operating Performance

2.2 Segment information (continued)

Segment results

	AM – Americas	APAC – AsiaPac	AE – Africa / Europe	Segment Total	IMDEX Product ⁽ⁱ⁾	Central administr ation costs ⁽ⁱⁱ⁾	Un- allocated ⁽ⁱⁱⁱ⁾	Total
2023	\$'000	\$'000	\$'000					
Revenue from sale of goods, rentals and software	190,431	119,129	101,838	411,398	-	-	-	411,398
Results before individually significant items								
Earnings before individually significant items, interest, income tax, depreciation and amortisation	76,546	44,956	51,993	173,495	(39,677)	(9,568)	(1,672)	122,578
Depreciation and amortisation expenses	(21,632)	(10,339)	(8,167)	(40,138)	(869)	(181)	-	(41,188)
Finance income	-	-	-	-	-	-	996	996
Finance costs	(484)	(846)	(275)	(1,605)	-	(76)	(4,044)	(5,725)
Profit before tax	54,430	33,771	43,551	131,752	(40,546)	(9,825)	(4,720)	76,661
Income tax expense	-	-	-	-	-	-	(23,756)	(23,756)
Profit after tax	54,430	33,771	43,551	131,752	(40,546)	(9,825)	(28,476)	52,905
Individually significant items (Note 2.6)								
Gross individually significant items	-	-	-	-	-	-	(22,064)	(22,064)
Tax on individually significant items	-	-	-	-	-	-	4,154	4,154
Net individually significant items	-	-	-	-	-	-	(17,910)	(17,910)
Profit after tax after individually significant items								34,995
2022								
Revenue from sale of goods, rentals and software	160,404	99,649	81,790	341,843	-	-	-	341,843
Results before individually significant items								
Earnings before individually significant items, interest, income tax, depreciation and amortisation	66,833	39,179	40,488	146,500	(32,591)	(8,376)	(675)	104,858
Depreciation and amortisation expenses	(18,186)	(9,263)	(7,665)	(35,114)	(821)	(274)	-	(36,209)
Finance income	-	-	-	-	-	-	186	186
Finance costs	(541)	(780)	(302)	(1,623)	-	(147)	(1,628)	(3,398)
Profit before tax	48,106	29,136	32,521	109,763	(33,412)	(8,797)	(2,117)	65,437
Income tax expense	-	-	-	-	-	-	(18,457)	(18,457)
Profit after tax	48,106	29,136	32,521	109,763	(33,412)	(8,797)	(20,574)	46,980
Individually significant items (Note 2.6)								
Gross individually significant items	-	-	-	-	-	-	(2,871)	(2,871)
Tax on individually significant items	-	-	-	-	-	-	602	602
Net individually significant items	-	-	-	-	-	-	(2,269)	(2,269)
Profit after tax after individually significant items								44,711

(i) Since the last annual report, IMDEX has redefined IMDEX Technology to IMDEX Product which includes Intellectual Property. IMDEX Product includes Research and Development, Software Development, Product Management and Intellectual Property activities. Prior period figures have been restated. Included in IMDEX Product is R&D spend (excluding capitalised development costs) of \$27.4 million (FY22: \$26.2 million).

(ii) Central administration costs comprise the corporate portion of head office costs. Head office costs attributable to operations are allocated to reportable segments in proportion to the revenues earned from those segments.

(iii) Unallocated items include the share of loss of an associate, Individually Significant Items (ISI), finance income and finance costs associated with the Group treasury function. Interest on lease liabilities is considered directly attributable to the segments and has been included in their segment results.

Operating Performance

2.2 Segment information (continued)

Segment assets and liabilities

	Assets		Liabilities	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
AM – Americas	365,351	152,244	29,141	21,508
APAC – AsiaPac	164,249	119,301	46,717	44,235
AE – Africa / Europe	155,383	75,553	17,027	9,974
Total of all segments	684,983	347,098	92,885	75,717
Unallocated	121,161	46,512	157,051	20,667
Consolidated	806,144	393,610	249,936	96,384

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments other than tax assets, investment in associate, assets classified as held for sale and treasury cash.
- All liabilities are allocated to reportable segments other than tax liabilities, the external loan and the deferred consideration.

Other segment information

	AM – Americas	APAC – AsiaPac	AE – Africa / Europe	Unallocated	Total
2023	\$'000	\$'000	\$'000	\$'000	\$'000
Acquisition of segment net assets	223,557	59,820	73,646	(21,284)	335,739
2022					
Acquisition of segment net assets	7,594	4,787	3,861	5,706	21,948

Operating Performance

2.3 Revenue and expenses

	Note	2023 \$'000	2022 \$'000
Revenue			
Sale of goods (i)		166,229	133,860
Rentals and software (ii)		245,169	207,983
		411,398	341,843

(i) The Group typically satisfies the obligation associated with the sale of drilling fluids and equipment at a point in time upon shipment or delivery when control is transferred to customers.

(ii) The Group typically satisfies the obligation to provide rental products and services and software subscriptions over time.

Revenue from contracts with customers is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is recognised net of allowances for returns and customer claims and any taxes collected from customers, which are subsequently remitted to government authorities. Contract assets and contract liabilities are not material to the Group's financial position.

Determining whether products and services and software subscriptions are considered distinct performance obligations that should be accounted for separately versus together require significant judgement. The Group provides products and services to its customers based on contracts that may contain several elements but for the vast majority of contracts, these elements represent only one single performance obligation for which revenue is recognised. Software revenue is presented together with rental revenue, given the high level of integration between our sensors and software technologies (in particular IMDEX HUB-IQ).

The Group may be entitled to variable consideration in several forms which are determined through its agreements with customers. The Group can offer prompt payment discounts, sales rebates or other incentive payments to customers. Sales rebates and other incentive payments are typically awarded upon achievement of certain performance metrics, including volume. The Group utilises forecasted sales data and rebate percentages specific to each customer agreement and updates its judgement of the amount to which the customer is entitled each period, to determine the variable consideration to be received.

Expense analysis by nature:

	Note	2023 \$'000	2022 \$'000
Employee benefits expense			
Salaries and wages (i)		(89,671)	(74,197)
Defined contribution superannuation/pension costs		(6,140)	(4,766)
Share based payments (i)		(8,170)	(4,814)
		(103,981)	(83,777)
Depreciation and amortisation expense			
Depreciation of property, plant and equipment	4.3	(26,453)	(25,170)
Depreciation of right-of-use assets	4.4	(7,157)	(6,178)
Amortisation of intangible assets	4.5	(7,578)	(4,861)
		(41,188)	(36,209)
Finance costs			
Interest on lease liabilities	4.4	(1,681)	(1,770)
Accretion of interest on deferred consideration	4.8	-	(719)
Amortisation of borrowing costs		(359)	(82)
Interest and other financing costs		(3,685)	(827)
		(5,725)	(3,398)

Operating Performance

2.3 Revenue and expenses (continued)

	Note	2023 \$'000	2022 \$'000
Other expenses			
Consulting, audit and legal expenses (i) (ii) (iii)		(34,854)	(16,191)
Facilities and utilities expenses		(4,471)	(3,948)
Travel and accommodation (i)		(10,747)	(5,710)
Slow-moving and obsolete stock		(189)	(1,182)
Allowance for expected credit losses	4.1	(1,658)	(917)
Software and network infrastructure (i)		(5,971)	(4,069)
Materials associated with developing technologies		(3,747)	(6,269)
Other expenses (i)		(13,886)	(10,230)
		(75,523)	(48,516)
(i) The current period expenses include costs associated with the Devico acquisition and integration activity, impacting expenses presented above (salaries and wages: \$0.5 million, shared based payments: \$1.0 million, consulting expenses: \$7.0 million consulting, travel and accommodation: \$0.7 million, software and network infrastructure: \$0.3 million and others expenses: \$1.1 million). Refer to Note 2.6 Individually Significant Items for further disclosures.			
(ii) The current period legal expenses include exceptional litigation costs of \$11.1 million (refer to Note 2.6 Individually Significant Items).			
(iii) Includes legal, audit, taxation, share registry, corporate secretarial fees and consulting services.			

Defined contribution plans

Contributions to defined contribution superannuation/pension plans are expensed when incurred.

2.4 Dividends

The following dividends have been paid by the Company or declared by the Directors since the commencement of the financial year ended 30 June 2023:

- (i) FY22 fully-franked final dividend of 1.9 cents (2021: 1.4 cents) per share paid on 11 October 2022;
- (ii) FY23 fully-franked interim dividend of 1.5 cents (2022: 1.5 cents) per share paid on 20 March 2023; and
- (iii) FY23 fully-franked final dividend of 2.1 cents (2022: 1.9 cents) per share to be paid on 12 October 2023.

The franking account balance is \$35.8 million (2022: \$40.9 million).

2.5 Other income

	Note	2023 \$'000	2022 \$'000
Other income			
Other income		-	526
		-	526

During the prior period, the Group received \$0.7 million of COVID-19 related overseas government grants, of which \$0.5 million has been recorded in other income and \$0.2 million has been offset against employee benefits expense since they were direct reimbursement for these expenses.

Operating Performance

2.6 Individually significant items (ISIs)

Profit after tax includes the following expenses whose disclosure is relevant in explaining the financial performance of the Group:

2023	Gross \$'000	Tax \$'000	Net \$'000
Exceptional legal costs	11,100	(3,330)	7,770
Devico transaction and integration costs	10,592	(824)	9,768
Flexidrill settlement – residual cost (Note 2.7)	372	-	372
Total individually significant items	22,064	(4,154)	17,910

- Exceptional litigation costs of \$11.1 million have been incurred in FY23, relating to costs incurred in respect of international IP infringement matters.
- Devico transaction and integration costs include M&A, due diligence and integration activities, as well as associated KMP retention costs.

2022	Gross \$'000	Tax \$'000	Net \$'000
Impairment loss net of related fair value adjustment (Note 2.7)	2,871	(602)	2,269
Total individually significant items	2,871	(602)	2,269

2.7 Impairment loss net of related fair value adjustment

	Note	2023 \$'000	2022 \$'000
Impairment loss net of related fair value adjustment			
Impairment of inventory	4.2	-	(1,581)
Impairment of property, plant and equipment	4.3	-	(425)
Impairment of intangible assets	4.5	-	(12,113)
Fair value gain/(loss) on deferred consideration	4.8	(372)	11,248
		(372)	(2,871)

During the current period, the Group finalised a Deed of Termination and Settlement with the prior owners of the Flexidrill technologies, with final settlement of \$1.8 million paid in August 2022. This has resulted in a net \$0.4 million expense during the period (refer to Note 4.8).

During the prior period, an impairment loss net of related fair value adjustment of \$2.9 million pre-tax (\$2.3 million post tax) has been recognised in relation to COREVIBE tangible and intangible assets, acquired in the acquisition of Flexidrill (completed January 2020). This follows completion of COREVIBE laboratory and field trials throughout the period, through which the technology achieved some benefits, however failed to meet the IMDEX hurdle rates to be a product within our portfolio. As such, the Group has taken the decision to cease further development of the COREVIBE technology.

Debit & Capital

3.1 Cash and cash equivalents

Reconciliation of cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash includes cash at bank, cash on hand, deposits at call and cash held in mutual funds.

Cash at bank earns interest at floating rates based on daily bank deposit rates. Cash held in mutual funds represent cash investments which generate returns higher than cash at bank and can be accessed immediately if required.

Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:

	2023 \$'000	2022 \$'000
Cash at bank and on hand	58,128	36,368

Reconciliation from the profit for the year to net cash generated from operating activities

Profit for the year	34,995	44,711
Adjustments for non-cash items		
Depreciation and amortisation of non-current assets	41,188	36,209
Interest paid disclosed as financing activities	3,685	827
Allowance for expected credit losses	1,658	917
Share options and performance rights expensed	8,170	4,814
Share of loss of an associate	1,672	675
Impairment loss net of related fair value adjustment	372	2,871
Interest on lease liabilities	1,681	1,770
Accretion of interest on deferred considerations	-	719
Amortisation of borrowing costs	359	82
Other	512	(180)
Changes in assets and liabilities during the financial year		
(Increase) / decrease in assets:		
Current receivables	(9,288)	(19,471)
Current inventories	(653)	(18,396)
Other current assets	(4,233)	(2,052)
Other non-current assets	(1,084)	157
Increase / (decrease) in liabilities:		
Current payables	5,638	(2,148)
Provision for employee entitlements	771	450
Current and deferred tax liability	(2,937)	4,351
Net cash generated from operating activities	82,506	56,306

Debit & Capital

3.2 Borrowings

	2023 \$'000	2022 \$'000
Current borrowings - secured		
JP Morgan Australia	28,000	-
	28,000	-
Non-current borrowings - secured		
Commonwealth Bank of Australia	12,542	12,166
JP Morgan Australia	82,506	-
	95,048	12,166
Total	123,048	12,166

	30 June 2022	Acquisi tion	Drawn	Repaid	Foreign Exchange Movement	Capitalised Borrowing Costs	Amortisation Borrowing Costs	30 June 2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total borrowings								
Commonwealth Bank of Australia Facility	12,166	-	-	-	443	(100)	33	12,542
JP Morgan Australia Facility	-	-	120,000	(7,000)	-	(2,820)	326	110,506
Nordea Bank	-	8,814	-	(8,910)	96	-	-	-
Total	12,166	8,814	120,000	(15,910)	539	(2,920)	359	123,048

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable fees, premiums paid and transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

The key terms of the Commonwealth Bank Facility are as follows:

Term: Multicurrency, Multi Option Revolving Facility has no repayment requirements other than at expiry. The facility is due to expire on 1 July 2024.

Maximum Facility: \$30 million.

Drawn Balance at 30 June 2023: borrowings \$12.5 million, bank guarantees \$1.2 million, credit cards \$0.1 million.

Undrawn Balance at 30 June 2023: \$16.2 million.

Effective Interest Rate: 6.47%.

The key terms of the JP Morgan Australia A\$84 million Amortising Term Loan facility are as follows:

Term: Amortising Term Loan with repayment instalments of \$7 million per calendar quarter. The facility is due to expire on 19 January 2026.

Effective Interest Rate: 5.63%.

The key terms of the JP Morgan Australia A\$36 million Revolving Working Capital facility are as follows:

Term: Multi-currency Revolving Working Capital facility. The facility is due to expire on 19 January 2027.

Maximum Facility: \$36 million

Drawn Balance at 30 June 2023: \$36 million.

Undrawn Balance at 30 June 2023: nil.

Effective Interest Rate: 5.63%.

The facilities are secured against the assets of key entities across the IMDEX group, located across Australia, New Zealand, Europe and the Americas, and subject to typical financial covenants.

Debit & Capital

3.3 Issued capital

		2023		2022	
	Notes	Number	\$'000	Number	\$'000
Issued and Paid-Up Capital - Fully paid ordinary shares					
Balance at beginning of the financial year		396,452,400	169,078	396,452,400	169,078
Shares issued relating to the MinePortal acquisition	(ii)	1,578,117	3,272	-	-
Shares issued in the equity raising related to the acquisition of Devico AS	(iii)	101,943,277	215,824	-	-
Shares issued as partial consideration for the acquisition of Devico AS	(iii)	5,480,847	12,990	-	-
Closing balance at end of the financial year	(i)	505,454,641	401,164	396,452,400	169,078

(i) Fully paid ordinary shares carry one vote per share and carry the right to dividends.

(ii) During the period, the Company issued 1.6 million ordinary shares in connection with the acquisition of MinePortal. Refer to note 5.2.

(iii) During the period, the Company issued 101.9 million ordinary shares in the equity raising in connection with the acquisition of Devico AS and issued 5.5m ordinary shares as part of the acquisition consideration. Refer to note 5.2.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

Where any Group company purchases the Company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued.

Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

3.4 Financial risk management

Categories of financial instruments	2023 \$'000	2022 \$'000
Financial assets carried at amortised cost		
Cash and cash equivalents	58,128	36,368
Trade and other receivables	94,707	76,900
	152,835	113,268
Financial liabilities carried at amortised cost		
Trade and other payables	46,319	34,696
Lease liabilities	38,300	34,651
Borrowings	123,048	12,166
	207,667	81,513

Financial risk management objectives

The Group is exposed to financial risks through the normal course of its business operations. The key financial risks impacting the Group relate to its financial instruments as per those disclosed in the statement of financial position. Specifically, those key risks are considered to be foreign currency risk and interest rate risk. The Group monitors its exposure to these risks on a regular basis and may enter into derivative financial instruments to manage these risks where appropriate. There are no derivative financial instruments in operation at the reporting date.

Debit & Capital

3.4 Financial risk management (continued)

Foreign currency risk management

The functional currency of the Company is Australian dollars. Certain financial instruments of the Group are exposed to movements in various currencies. The Group undertakes certain transactions denominated in foreign currencies, hence exposures to foreign exchange rate fluctuations arise. Exchange rate exposures are managed with the use of natural hedges where possible and with the use of financial instruments where benefit outweighs cost within approved policy parameters. During the current and prior year no derivative instruments were used to manage foreign exchange risk.

Exposure

The carrying amount in Australian dollars of the Group's monetary assets and liabilities denominated in currencies other than Australian dollars at the reporting date are as per the table below. Non-Australian dollar liabilities include trade creditors and borrowings recorded in Australian as well as non-Australian entities. Non-Australian dollar assets include cash on hand and debtors recorded in Australian as well as non-Australian entities. Any fluctuation in exchange rates relative to the Australian dollar will cause the below assets and liabilities to change in value.

	Liabilities		Assets	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
United States Dollars	16,958	17,943	63,255	44,212
Euro	863	1,175	10,066	5,793
South African Rand	680	791	5,259	5,569
Canadian Dollars	2,089	1,476	13,234	12,386
Chilean Pesos	667	530	8,017	4,615
Norwegian Krone	1,172	-	6,894	-
Argentine Pesos	47	50	2,237	2,535
Other	620	1,011	8,785	2,960

Sensitivity

The Group is mainly exposed to United States Dollars, Euro and Canadian Dollars, Chilean Pesos and Norwegian Krone. The following table details the Group's sensitivity to a 10% (2022: 10%) increase or decrease in the Australian Dollar against the relevant foreign currencies.

	United States Dollar Impact		Canadian Dollar Impact	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
10% increase	4,630	2,627	1,114	1,091
10% decrease	(4,630)	(2,627)	(1,114)	(1,091)
	Euro Impact		Chilean Pesos Impact	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
10% increase	920	462	735	409
10% decrease	(920)	(462)	(735)	(409)
	Norwegian Krone Impact			
	2023 \$'000	2022 \$'000		
10% increase	572	-		
10% decrease	(572)	-		

Debit & Capital

3.4 Financial risk management (continued)

Sensitivity (continued)

The following table details the Group's sensitivity to a 100% (2022: 100%) increase or decrease in the Australian Dollar against Argentine Pesos which is experiencing hyperinflation.

	Argentine Pesos Impact	
	2023 \$'000	2022 \$'000
100% increase	2,189	2,485
100% decrease	(2,189)	(2,485)

Profit / (loss) impacts are mainly attributable to exposure on cash, borrowings, trade receivables and payables at the reporting date denominated in the applicable foreign currency.

Interest rate risk management

The Group's cash flow is exposed to interest rate risk as entities in the Group borrow, lend and deposit funds at floating rates of interest. The following table details the Group's pre-tax loss sensitivity to a 1% increase and decrease in variable interest rates:

	Consolidated Impact	
	2023 \$ '000	2022 \$ '000
Increased interest rate	(1,613)	(468)
Decreased interest rate	1,613	468

Credit risk management

The Group's maximum exposure to credit risk is the carrying amount of those assets as indicated in the statement of financial position. Credit risk on financial instruments refers to the potential financial loss to the Group that may result from counterparties failing to meet their contractual obligations. The Group manages its counterparty risk by limiting its transactions to counterparties of sound credit worthiness. The Group faced no significant credit exposures at the balance date.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who monitors short, medium and long term liquidity requirements through the use of financial models. The treasury function reports regularly to key management

personnel and the Board on matters affecting liquidity risk. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. At 30 June 2023 the Company/Group has undrawn facilities of \$16.2 million.

Maturity of financial liabilities

The following tables detail the Company's and the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group may be required to pay. The table includes both interest and principal cash flows.

	Effective interest rate	0-3 months	3 months to 1 year	1-5 years	5+ years	Total
	%	\$'000	\$'000	\$'000	\$'000	\$'000
2023						
Trade and other payables	-	46,319	-	-	-	46,319
Lease liabilities	4.6%	2,177	6,530	24,393	21,388	54,488
Borrowings	5.8%	7,000	21,000	95,048	-	123,048
		55,496	27,530	119,441	21,388	223,855
2022						
Trade and other payables	-	34,696	-	-	-	34,696
Lease liabilities	4.4%	1,717	5,153	24,361	18,010	49,241
Borrowings	4.3%	-	-	12,166	-	12,166
		36,413	5,153	36,527	18,010	96,103

Debit & Capital

3.4 Financial risk management (continued)

Maturity of financial assets

The following tables detail the Company's and the Group's remaining contractual maturity for its financial assets. The tables have been drawn up based on the undiscounted cash flows of financial assets including interest that will be earned on those assets except where the Company/Group anticipates that the cash flow will occur in a different period.

	Effective interest rate	0-3 months	3 months to 1 year	1-5 years	5+ years	Total
	%	\$'000	\$'000	\$'000	\$'000	\$'000
2023						
Trade and other receivables		90,072	-	4,635	-	94,707
Cash	1.6%	58,128	-	-	-	58,128
		148,200	-	4,635	-	152,835
2022						
Trade and other receivables	-	73,349	-	3,551	-	76,900
Cash	0.4%	36,368	-	-	-	36,368
		109,717	-	3,551	-	113,268

Non- derivative financial instruments

Recognition and measurement

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular purchases or sales of financial assets are recognised and derecognised on a trade date basis, where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

Fair value of financial Instruments

The Directors consider that the carrying amount of financial assets and liabilities recorded in the financial statements represents or approximate their respective fair values.

3.5 Commitments for expenditure

Capital expenditure commitments

At 30 June 2023 the Group had \$4.2 million capital commitments (2021: \$2.5 million).

Other Assets & Liabilities

4.1 Trade and other receivables

	Notes	2023 \$'000	2022 \$'000
Current			
Trade receivables	(i)	92,374	76,242
Less allowance for expected credit losses	(iii)	(6,670)	(3,951)
		85,704	72,291
Other receivables and accrued income		4,368	1,058
	(ii)	90,072	73,349

(i) The average credit period on sales of goods is approximately 60 days. Trade receivables are interest free unless outside of terms at which point interest may be charged.

(ii) The net carrying amount of trade and other receivables approximates their fair values.

(iii) Movement in the loss allowance

Balance at the beginning of the year		3,951	3,505
Acquisition of subsidiaries	5.2	1,422	-
Written off during the year		(361)	(471)
Allowance for expected credit losses	2.3	1,658	917
Balance at the end of the year		6,670	3,951

The Expected Credit Loss (ECL) calculation for trade receivables considers both quantitative information from historic losses as well as qualitative information on different debtor profiles. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The assessment of the correlation between historical loss rates, forecast economic conditions and ECLs is a significant estimate. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Directors believe that there is no further credit provision required in excess of the loss allowance above.

Ageing of past due but not provided for ECL debtors			
0 - 30 days past due		8,419	9,087
31 - 60 days past due		4,105	4,666
61 + days past due		7,800	4,003
		20,324	17,756

The Group does not hold any collateral over these balances.

4.2 Inventories

	2023 \$'000	2022 \$'000
Current		
Raw materials	4,170	5,516
Work in progress	1,072	1,336
Finished goods	63,385	50,209
	68,627	57,061

Inventories are valued at the lower of cost or net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

Inventory includes a provision for slow moving and obsolete stock of \$3.9 million (2022: \$3.2 million). In the prior period, a provision for impairment of \$1.6 million was recognised in relation to COREVIBE inventory. Refer to Note 2.7 for further details.

The Company has refined the definition of raw materials in the current period and restated the prior year balance resulting in a reclassification of \$4.1 million from finished goods to raw materials for the prior period.

Other Assets & Liabilities

4.3 Property, plant and equipment

Notes	Plant and Equipment at cost \$'000	Leasehold Improvements at cost \$'000	Capital Works in Progress at cost \$'000	TOTAL \$'000
2023				
Cost	149,064	8,862	2,145	160,071
Accumulated depreciation and impairment loss	(95,123)	(6,763)	-	(101,886)
Total carrying value	53,941	2,099	2,145	58,185
Movement				
Carrying amount at the beginning of the year	49,877	2,531	3,130	55,538
Additions/transfers within property, plant and equipment (i)	21,294	588	(940)	20,942
Acquisition of subsidiaries	8,417	-	-	8,417
Depreciation expense	(25,454)	(999)	-	(26,453)
Foreign currency exchange differences	(193)	(21)	(45)	(259)
Carrying amount at the end of the year	53,941	2,099	2,145	58,185
2022				
Cost	128,641	8,241	3,130	140,012
Accumulated depreciation and impairment loss	(78,764)	(5,710)	-	(84,474)
Total carrying value	49,877	2,531	3,130	55,538
Movement				
Carrying amount at the beginning of the year	41,796	1,477	2,348	45,621
Additions/transfers within property, plant and equipment (i)	31,732	415	804	32,951
Transfer from inventory	1,388	-	-	1,388
Transfer within property, plant and equipment	(1,524)	1,524	-	-
Depreciation expense	(24,274)	(896)	-	(25,170)
Impairment expense	(425)	-	-	(425)
Foreign currency exchange differences	1,184	11	(22)	1,173
Carrying amount at the end of the year	49,877	2,531	3,130	55,538

(i) Includes external purchase and direct cost associated with internally manufactured plant and equipment.

Property, plant and equipment

Plant and equipment and leasehold improvements are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Capital works in progress

Capital works in progress in the course of construction for production or supply purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.

Depreciation

Depreciation is calculated on a straight-line basis in order to write off the net cost of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the estimated useful life, using the straight-line method. The estimated useful lives and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis. The annual depreciation rate for plant and equipment is 20% to 33% and the annual depreciation rate for leasehold improvement is 10% to 33%. Depreciation of capital works in progress, on the same basis as other property, plant and equipment assets, commences when the assets are ready for their intended use.

Impairment

During the prior period, an impairment expense of \$0.4 million was made in relation to COREVIBE Property, plant and equipment. Refer to Note 2.7 for further details.

Other Assets & Liabilities

4.4 Leases

Right of use assets	Notes	Land and Buildings \$'000	Motor Vehicles \$'000	Other \$'000	TOTAL \$'000
2023					
Cost		38,525	6,370	5,238	50,133
Accumulated depreciation		(12,326)	(2,975)	(2,712)	(18,013)
Total carrying value		26,199	3,395	2,526	32,120
Movement					
Carrying amount at the beginning of the year		24,425	2,998	766	28,189
Additions		696	1,741	3,232	5,669
Acquisition of subsidiaries		7,422	15	-	7,437
Disposals		(896)	(26)	(1)	(923)
Lease remeasurements		(816)	61	88	(667)
Other		(81)	-	(318)	(399)
Depreciation	2.3	(4,424)	(1,493)	(1,240)	(7,157)
Foreign currency exchange differences		(127)	99	(1)	(29)
Carrying amount at the end of the year		26,199	3,395	2,526	32,120
2022					
Cost		34,498	5,062	1,945	41,505
Accumulated depreciation		(10,073)	(2,064)	(1,179)	(13,316)
Total carrying value		24,425	2,998	766	28,189
Movement					
Carrying amount at the beginning of the year		29,996	1,829	1,135	32,960
Additions		8,300	2,394	72	10,766
Disposals		(80)	(81)	(8)	(169)
Lease remeasurements		(9,310)	35	-	(9,275)
Depreciation	2.3	(4,479)	(1,267)	(432)	(6,178)
Foreign currency exchange differences		(2)	88	(1)	85
Carrying amount at the end of the year		24,425	2,998	766	28,189
Lease liabilities					
	Notes	2023 \$'000	2022 \$'000		
Opening		34,651	38,873		
Additions		5,669	10,766		
Acquisition of subsidiaries	5.2	7,437	-		
Disposal of lease liability		(1,073)	(154)		
Lease remeasurements		(667)	(9,275)		
Repayments		(9,274)	(7,425)		
Accretion of interest	2.3	1,681	1,770		
Net foreign exchange differences		(124)	96		
Carrying amount at 30 June		38,300	34,651		
Current		5,789	4,301		
Non-current		32,511	30,350		
Carrying amount at 30 June		38,300	34,651		

Other Assets & Liabilities

4.4 Leases (continued)

The table below presents the contractual undiscounted cash flows associated with the Group's lease liabilities, representing principal and interest. The figures will not necessarily reconcile with the amounts disclosed in the consolidated statement of financial position.

	2023 \$'000	2022 \$'000
Due for payment in:		
1 year or less	8,706	6,870
1-2 years	8,112	6,160
2-3 years	6,253	4,654
3-4 years	5,332	3,803
4-5 years	4,697	9,744
More than 5 years	21,388	18,010
	54,488	49,241

The Group recognises a Right-of-Use asset at the commencement date of the lease, initially measured at the present value of the future lease payments, with the right-of-use asset adjusted by the amount of any lease payments pre-commencement date plus any make good obligations. The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset.

The Right-of-Use asset is depreciated over the shorter of the asset's useful life and the term of the lease, on a straight-line basis. The useful life is within the range from 1-20 years.

Lease Liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date.

The lease payments include:

- Fixed payments, offset by any lease incentives receivable;
- Variable lease payments linked to an index or rate;
- Exercise price of a purchase option (where the Group is reasonably certain to exercise that option); and
- Payment of penalties for terminating the lease (where the life of the lease has assumed termination).

For short-term leases (lease term of 12 months or less) and leases of low-value assets (which includes tablets and personal computers, small items of office furniture and telephones), the Group has opted to recognise a lease expense on a straight-line basis as permitted by AASB 16. This expense is presented within 'other expenses' in profit or loss (30 June 2023: \$1.7 million, June 2022: \$1.4 million).

Key Estimates and Judgements

(a) Control

Judgement is required to assess whether a contract is or contains a lease at inception by assessing whether the Group has the right to direct the use of the identified asset and obtain substantially all the economic benefits of the use of that asset.

(b) Lease term

Judgement is required when assessing the term of the lease and whether to include optional extension and termination periods. Option periods are only included in determining the lease term at inception when they are reasonably certain to be exercised. Lease terms are reassessed when a significant change in circumstances occurs.

The Group included the renewal period as part of the lease term for the lease of the corporate head office and the lease of the Western Australian manufacturing and distribution facility, as both properties were purpose built for the Group and the extensions of these leases is reasonably certain. Renewal options for motor vehicles are not included as part of the lease term because the Group typically leases vehicles for not more than five years and is not likely to exercise any renewal options.

(c) Discount rates

Judgement is required to determine the discount rate, where the discount rate is the Group's incremental borrowing rate if the rate implicit in the lease cannot be readily determined. The incremental borrowing rate is determined with reference to the Group's borrowing portfolio at the inception of the arrangement or the time of the modification. Refer to Note 3.2 Borrowings for the effective interest rate during the year.

Other Assets & Liabilities

4.5 Intangible assets

		Goodwill	Intellectual property and other intangibles ⁽ⁱ⁾	Software ⁽ⁱⁱ⁾	TOTAL
	Notes	\$'000	\$'000	\$'000	\$'000
At cost		319,966	136,659	14,968	471,593
Accumulated amortisation		-	(10,508)	(3,809)	(14,317)
Accumulated impairment losses		(24,295)	(12,113)	-	(36,408)
Net carrying amount as at 30 June 2023		295,671	114,038	11,159	420,868
Movement					
As at 30 June 2022		62,200	28,546	7,047	97,793
Additions		-	201	6,012	6,213
Acquisition of assets/subsidiary	5.2	232,963	97,200	-	330,163
Amortisation expense	2.3	-	(5,592)	(1,986)	(7,578)
Reclassified as held for sale ⁽ⁱⁱⁱ⁾	4.10	-	(6,970)	-	(6,970)
Foreign currency exchange differences		508	653	86	1,247
As at 30 June 2023		295,671	114,038	11,159	420,868
At cost		86,495	48,940	8,903	144,338
Accumulated amortisation		-	(8,281)	(1,856)	(10,137)
Accumulated impairment losses		(24,295)	(12,113)	-	(36,408)
Net carrying amount as at 30 June 2022		62,200	28,546	7,047	97,793
Movement					
As at 30 June 2021		62,104	27,442	3,397	92,943
Additions		-	-	4,715	4,715
Acquisition of assets/subsidiary	5.2	-	16,242	-	16,242
Amortisation expense	2.3	-	(3,813)	(1,048)	(4,861)
Impairment expense	2.7	-	(12,113)	-	(12,113)
Foreign currency exchange differences		96	788	(17)	867
As at 30 June 2022		62,200	28,546	7,047	97,793

(i) Includes \$17.7m of intangible assets not yet available for use, which were acquired in the MinePortal acquisition.

(ii) Of which \$2.6 million of software is under development and therefore not yet in use at 30 June 2023 (30 June 2022: \$4.7 million).

(iii) Intangible assets of \$6.97 million in relation to the MAGHAMMER technology have been reclassified to an Asset Held For Sale at 30 June 2023, following the progression of the divestment process during the current period. Refer Note 4.10 for further details.

The assessment of goodwill and its impairment is undertaken at the Operating Segment level (as shown below), except for the Devico Group which for the purposes of the 30 June 2023 financial statements, has been assessed for impairment separately. We have not yet allocated the Devico Group goodwill to the Operating Segments for the purpose of impairment testing on the basis that the accounting is provisional.

	2023 \$'000	2022 \$'000
Africa / Europe	8,182	8,182
Asia Pacific	33,658	33,658
Americas	20,868	20,360
Devico	232,963	-
	295,671	62,200

Other Assets & Liabilities

4.5 Intangible assets (continued)

Intellectual property and other intangibles

Intellectual property and other intangibles with a finite useful life were acquired in the Devico acquisition (completed February 2023, refer note 5.2), as well as the Flexidrill and AusSpec acquisitions completed in previous periods.

These intangible assets are amortised on a straight-line basis over the estimated useful life (up to 15 years). Amortising intangible assets are tested for impairment whenever there is an indication that the asset may be impaired.

Intellectual property and other intangibles not yet available for use were acquired in the MinePortal acquisition (completed September 2021). These assets are not amortised until they are capable of operating in the manner intended for use by management. They are tested annually for impairment as well as if there is an indication that the asset may be impaired. No impairment was required during 2023.

Software

The Group capitalises development expenditure for internally generated software. Development expenditure is capitalised only if it can be measured reliably, the project or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses. Software assets with a finite life are amortised on a straight-line basis over their expected useful life to the Group, being up to 5 years. Expenditure on capitalised software is capitalised only when it increases the future economics of the specific asset to which it relates and which the Group controls. All other expenditure is expensed as incurred.

SaaS arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received.

Significant accounting estimates and assumptions

Management reviews the appropriateness of useful lives of assets at least annually, any changes to useful lives may affect prospective amortisation rates and asset carry values.

Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired. Where the fair value of the consideration paid for a business acquisition exceeds the fair value of the identifiable assets acquired and liabilities assumed, the difference is treated as goodwill.

Goodwill is not amortised but is tested for impairment at least annually.

Impairment testing of assets

IMDEX assesses impairment at the Operating Segment level for Goodwill. Goodwill exists in relation to three Segments: Asia Pacific, Africa / Europe and Americas.

IMDEX assesses impairment at the Cash Generating Unit (CGU) level for fixed assets and other intangible assets. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. CGUs identified are at a lower level than each Operating Segment (based on regional hubs).

The Group has five CGUs: Asia Pacific, Europe, Africa, North America and South America.

Following completion of the acquisition of the Devico Group on 28 February 2023, for the purposes of the impairment assessment required to support the 30 June 2023 financial statements, IMDEX has assessed the recoverability of the carrying value of the Devico Group separately.

The Group reviews the carrying amounts of its CGU's at each reporting period, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, a formal estimate of the asset's recoverable amount is calculated.

Recoverable amount is the higher of Fair Value Less Costs to Sell and Value in Use. In assessing Value in Use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the carrying amount of the CGU exceeds its recoverable amount, the asset or CGU is written down and an impairment loss is recognised in the income statement. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Significant accounting estimates and assumptions

The determination of impairment involves the use of judgements and estimates that include, but are not limited to, the cause, timing and measurement of the impairment.

Goodwill is tested at least annually and where there is an indicator of impairment through testing of the Operating Segments (groups of CGU's) to which the goodwill has been allocated.

Fixed assets and other intangible assets are grouped into CGUs that have been identified as being the smallest identifiable group of assets that generate cash flows, which are independent of cash flows of other assets or groups of assets. The determination of these CGUs is based on management's judgement in regard to shared infrastructure, geographical proximity, and similar exposures to market risk and materiality.

Other Assets & Liabilities

4.5 Intangible assets (continued)

Significant accounting estimates and assumptions (continued)

Determining whether goodwill, intangibles and fixed assets are impaired requires an estimation of the "Value in Use" of the Operating Segment or CGU to which these assets are attributable. The Value in Use calculation requires the entity to estimate the future cash flows expected to arise from the Operating Segment or CGU and a suitable discount rate to calculate present value. A forward-looking estimation of this nature is inherently uncertain.

Management is required to make significant judgements concerning the identification of impairment indicators, such as changes in competitive positions, expectations of growth, increased cost of capital, and other factors that may indicate impairment. In addition, management is also required to make significant estimates regarding future cash flows and the determination of fair values when assessing the recoverable amount of assets (or group of assets). Inputs into these valuations require assumptions and estimates to be made about forecast earnings before interest and tax and related future cash flows, growth rates, applicable discount rates, useful life and residual values.

IMDEX's forecasted results reflect the activity levels within the minerals industry. The judgements, estimates and assumptions used in assessing impairment are management's best estimates based on current and forecast market conditions. Changes in economic and operating conditions impacting these assumptions could result in changes in the recognition of impairment charges in future periods.

Management has considered a range of external, internal and other indicators that may indicate some level of impairment at the individual asset level. These include evidence of obsolescence or physical damage of an asset, and evidence available from internal reporting that indicates that the economic performance of an asset is, or will be, worse than expected.

Refer to note 2.7 for details of the impairment loss recognised during the prior period in relation to intellectual property acquired in the acquisition of Flexidrill (completed in January 2020), specifically in relation to the COREVIBE Technology.

Value in Use assessments and sensitivities:

Inputs to impairment calculations

For Value in Use calculations, cash flow projections are based on IMDEX's corporate plans and business forecasts prepared by management and approved by the Board for the 2024 financial year.

The key assumptions impacting the discounted cashflow models used to determine the Value in Use for each CGU were as follows:

- Revenue growth has been based on a range of growth rates. Initial rates are based on the FY24 Budget approved by the Board of Directors;
- Subsequent growth rates are within the range included in the Corporate Valuation Model up to the terminal (5 years) period;
- Cash flows beyond the five-year period are extrapolated using an estimated growth rate of 2.5% (FY22: 2.5%), which is based on Group estimates, taking into consideration historical performance as well as expected long-term operating conditions to arrive at a terminal value. Growth rates do not exceed the consensus forecasts of the long-term average growth rate for the industry in which the CGU operates.
- Capital investment for the 2024 financial year is based on the forecasted numbers approved by the Board of Directors. Going forward to terminal date, capital investment gradually increases each year so that it equals the replacement cost of assets, excluding growth capital investment by terminal date;
- Tax rates used were the Group's effective tax rate; and
- Post-tax discount rates used were country risk adjusted and based on data supplied by external sources and ranged from 11.6% to 21.2% (FY22: 9.8% to 13.2%).

Other assumptions are determined with reference to internal and external sources of information.

Increases in discount rates or changes in other key assumptions, such as operating conditions or financial performance, may cause the recoverable amounts to fall below carrying values. Management have considered various reasonably possible sensitivities in the Value in Use assessment, with changes to the following key assumptions:

- Increase/decrease of 1% to the post-tax discount rate.
- Increase/decrease of 1% to the terminal growth rate.
- Increase/decrease of 5% in operating margins.

The above sensitivities have been performed in isolation, with all other assumptions in the Value in Use assessment held constant. No reasonably possible change made to these key assumptions has given rise to an impairment. However, forward looking estimation of this nature is inherently uncertain and the outcomes of these sensitivities may vary in the future.

Impairment losses recognised by cash generating unit:

There have been no impairment losses for any CGU in the current or prior year.

Other Assets & Liabilities

4.6 Trade & other payables

	Notes	2023 \$'000	2022 \$'000
Trade payables	(i)	20,811	16,378
Accruals and other payables	(ii)	25,508	18,318
		46,319	34,696

- (i) Trade payables are interest free for periods ranging from 30 to 180 days. Thereafter interest may be charged at commercial rates. The carrying amount of trade payables approximates their fair values due to their short-term nature. The consolidated entity has financial risk management policies in place to endeavour to pay all payables within the credit timeframe.
- (ii) Accruals and other payables include a \$5.0 million accrual for the FY23 STI bonuses (30 June 2022: \$6.7 million).

4.7 Provisions

	2023 \$'000	2022 \$'000
Current provisions		
Employee entitlements	7,773	5,867
Others	200	200
	7,973	6,067
Non-current provisions		
Employee entitlements	293	303

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Significant accounting estimates and assumptions

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Employee entitlements

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, sick leave and related on costs when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within the short term, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within the short term are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Termination benefit

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Other Assets & Liabilities

4.8 Deferred consideration

	Note	2023 \$'000	2022 \$'000
Gross Carrying Amount			
Balance at beginning of the financial year		2,936	14,667
Payment		(3,308)	(1,000)
Interest accretion	2.3	-	719
Fair value (gain)/loss on deferred consideration	2.7	372	(11,248)
Effect of foreign exchange movements		-	(202)
Balance at end of the financial year		-	2,936

During the current period, the Company made the following payments:

- \$1.5 million final deferred consideration payment in relation to the acquisition of AusSpec (completed July 2020). This was paid on 1 July 2022 in cash pursuant to a revised agreement (previously \$1.0 million in cash and \$0.5 million IMDEX shares), following achievement of certain new revenue-generating contracts.
- \$1.8 million settlement payment in relation to Flexidrill. The Group finalised a Deed of Termination and Settlement with the prior owners of the Flexidrill technologies, with final settlement of \$1.8 million paid in August 2022. This has resulted in a net \$0.4 million expense during the period.

Other Assets & Liabilities

4.9 Investment in associates

The Group acquired a 40% interest in Krux Analytics Inc ("Krux") on 24 April 2023 for \$6.9 million cash including transaction costs. Krux, a Canadian-based software company, has developed market leading drilling analytics software, focusing on the collection and analysis of exploration and production drilling data in real time.

The parties have negotiated an arrangement that is likely to result in IMDEX acquiring the remaining 60% of equity in Krux, or alternatively, acquiring Krux's material assets. As part of the Shareholders' Agreement, Krux shareholders have been granted a Put Option to require IMDEX to acquire the remaining shares at an agreed market value on 30 April 2026, which is based on a revenue multiple applied to the prior 12 months revenue, with the amount payable subject to the overall cap. The final purchase will be funded by cash reserves or the combination of cash reserves and issue of IMDEX's shares. In the event the Put Option is not exercised, the parties have agreed a mechanism whereby IMDEX can acquire all of Krux's assets and liabilities at 60% of the Put Option price at its discretion. This mechanism creates a forward contract. The term of this mechanism means that the Put Option is likely to be exercised. As such, no value has been assigned to the asset purchase arrangement. The value of the Put Option is determined by the potential variances between the amount payable under the contract and the market value of Krux at that time. IMDEX has assessed that the agreed revenue multiple is a market multiple and accordingly it has attributed no value to the Put Option.

The Group's interest in Krux is accounted for using the equity method in the consolidated financial statements. The Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss. The Group accounts for additional interests in its investments in associates by recognising the difference between the consideration paid for the additional interest and the fair value of the additional share of net assets as notional intangible assets.

The following table illustrates the summarised financial information of the Group's investment in Krux:

	2023 \$'000
Net assets	855
Group's share in net assets – 40%	342
Notional intangible assets	6,272
Group's carrying amount of the investment	6,614
Income Statement	
Revenue	529
Net loss for the period	(731)
Group's share of loss for the period	(293)
Amortisation of the notional intangible assets	(106)
Group's total share of loss for the period	(399)

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. There has been no impairment loss in the current year.

The associate had no material contingent liabilities or capital commitments as at 30 June 2023.

Significant accounting estimates and assumptions

The valuation of Krux and Datarock Options involves the use of judgements and estimates that include but are not limited to the estimation of future amounts payable as part of the acquisitions and future market value of these businesses.

The amount payable is determined based on a revenue multiple applied to the prior 12 months revenue at the time of the acquisition. Management has assessed that the agreed revenue multiple is a market multiple and accordingly it has attributed no value to the Options.

Other Assets & Liabilities

4.9 Investment in associates (continued)

The Group acquired a 30% interest in Datarock Holdings Pty Ltd (“Datarock”) on 23 November 2021 for \$5.7 million cash. Datarock is an Australian-based mining technology company servicing the global exploration and mining sector. Datarock’s product suite, both existing and planned, complements IMDEX’s software offering and strengthens the Group’s cloud-based platform (IMDEX HUB-IQ™) to deliver real-time rock knowledge answer products.

On 1 November 2022 and 19 May 2023, Datarock exercised first and second equity call options available under the Datarock Shareholder Agreement and Shareholder Agreement Variation Deed, which resulted in IMDEX acquiring an additional 10.9% and 8.2% in the issued capital of Datarock in exchange for additional investments in Datarock of \$2.0 million and \$1.5 million respectively, taking IMDEX’s total ownership interest in Datarock to 49.1%.

IMDEX holds the option to acquire the remaining interest in Datarock over the next three years, subject to Datarock achieving agreed strategic milestones. Nil value has been assigned to these step-up options as the purchase price is aligned with market value.

The Group’s interest in Datarock is accounted for using the equity method in the consolidated financial statements. The Group’s share of profit or loss of an associate is shown on the face of the statement of profit or loss. The Group accounts for additional interests in its investments in associates by recognising the difference between the consideration paid for the additional interest and the fair value of the additional share of net assets as notional intangible assets.

The following table illustrates the summarised financial information of the Group’s investment in Datarock:

	2023 \$'000	2022 \$'000
Net liabilities	(4,049)	(2,693)
Group’s share in net liabilities – (2023:49.1% and 2022: 30%)	(2,108)	(808)
Notional intangible assets	9,365	5,839
Group’s carrying amount of the investment	7,257	5,031
Income Statement		
Revenue	4,595	1,802
Net loss for the period	(1,356)	(1,045)
Group’s share of loss for the period	(460)	(313)
Amortisation of the notional intangible assets	(813)	(362)
Group’s total share of loss for the period	(1,273)	(675)

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. There has been no impairment loss in the current year.

The financial statements of the associate are prepared for the same reporting period as the Group. The associate had no material contingent liabilities or capital commitments as at 30 June 2023.

Other Assets & Liabilities

4.10 Assets classified as held for sale

The Group has taken the decision to pursue divestment options for the commercialisation of the MAGHAMMER technology. The Group has appointed an external advisor to assist the divestment process. The divestment is expected to be completed within a 12-month time frame.

As at 30 June 2023, the MAGHAMMER technology was classified as an asset held for sale. The major classes of assets classified as held for sale are as follows:

	2023 \$'000
Assets	
Intangible assets	6,970
Inventory	381
Total assets classified as held for sale	7,351

An updated valuation for the MAGHAMMER technology was completed during the period. Management has assessed that the valuation is materially unchanged as at 30 June 2023 and supports the carrying value of associated intangible assets at 30 June 2023.

5.1 Taxation

	2023 \$'000	2022 \$'000
Income tax expense recognised in the income statement		
Tax expense comprises:		
Current tax expense	24,280	17,145
Deferred tax expense/(benefit) relating to the origination and reversal of temporary differences	(2,646)	3,019
Losses brought to account from prior year	(56)	(1,287)
Under/(over) relating to R&D credits	(1,365)	(743)
Under/(over) provision in prior year income tax	(611)	(279)
Total tax expense	19,602	17,855
Income tax expense recognised in equity		
Deferred tax expense/(benefit) relating to the origination and reversal of temporary differences	(1,354)	(714)
Prima facie income tax expense on pre-tax accounting profit from continuing operations reconciles to income tax expense in the financial statements as follows:		
Profit before tax from continuing operations	54,597	62,566
Income tax expense calculated at 30% ⁽ⁱ⁾	16,379	18,770
Tax losses not recognised or impaired	-	545
Other deferred tax assets brought to account	(56)	(883)
Derecognition of deferred tax assets	63	-
Other non-deductible and non-assessable items	8,408	3,454
Tax rate differential arising from foreign entities	(3,216)	(2,605)
Losses brought to account from prior year	-	(404)
Under/(over) relating to R&D credits	(1,365)	(743)
Under/(over) provision in prior year income tax	(611)	(279)
At the effective income tax rate of 36% (2022: 29%)	19,602	17,855

- (i) The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian law. There has been no change in the corporate tax rate when compared with the previous reporting year.

Other

5.1 Taxation (continued)

Recognised Current and Deferred Tax Balances

	2023 \$'000	2022 \$'000
Current tax assets and liabilities		
Current tax receivable	7,126	1,939
Current tax payable	(4,474)	(5,565)
Deferred tax balances		
Deferred tax assets comprise balances that relate to:		
Provisions	6,010	3,289
Inventory	4,359	4,450
Property, plant and equipment	10,674	10,576
Leases	1,940	1,960
Carry forward tax losses	1,474	2,676
Unrealised FX	(1,644)	(370)
Intangible assets	(28,842)	(1,017)
Others	10,315	6,026
Net deferred tax balances	4,286	27,590
Deferred tax assets	33,815	27,590
Deferred tax liabilities	(29,529)	-
Net deferred tax balances	4,286	27,590
	2023 \$'000	2022 \$'000
Unrecognised Deferred Tax Assets		
Deferred Tax Assets in respect of unrecognised tax losses	1,255	1,097

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the income statement because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Company and the Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company and the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Other

5.1 Taxation (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company and the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

Relevance of tax consolidation to the Group

The Company and its wholly-owned Australian resident entities are an income tax consolidated group and are taxed as a single entity. IMDEX Limited is the head company of the Australian tax consolidated group.

Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences in the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within Group' approach by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax consolidation.

Current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax-consolidated group are recognised by the Company (as head entity in the tax-consolidated group).

Due to the existence of a tax funding arrangement between the entities in the tax-consolidated Group, amounts are recognised as payable to or receivable by the Company and each member of the Group in relation to tax amounts paid or payable between the parent entity and the other members of the tax consolidated Group in accordance with the arrangement.

Significant accounting estimates and assumptions

A net deferred tax asset of \$33.8 million has been recognised on the face of the Consolidated Statement of Financial Position. The largest components of this asset are the future tax benefits available to the Group in respect of unused tax losses, identified intangible assets as a result of the acquisition and temporary differences between the recording of expenses for accounting purposes and the claiming of a deduction for the expense for taxation purposes. These tax benefits will be realised over the coming years when future taxable profits are available against which the unused tax losses can be utilised and as temporary differences move. This net asset has been raised as it is considered more likely than not that it will be realised due to trading and/or sale of assets. In making this assessment of likelihood, a forward-looking estimation of tax payments and the likelihood of business success needs to be made. A forward-looking estimation of this nature is inherently uncertain.

As part of the process for preparing the Group's financial statements, management is required to calculate income tax accruals. This process involves estimating the current tax exposures together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are included in the Consolidated Statement of Financial Position.

While the Group aims to ensure the accruals for its tax liabilities are accurate, the process of agreeing tax liabilities with the relevant tax authorities can take time. Management estimate is therefore required in determining the provision for income tax and the recognition of deferred tax assets and liabilities and therefore the actual tax liabilities could differ from the amounts accrued.

Other

5.2 Acquisition of subsidiaries/assets

Acquisition of Devico AS (Subsidiaries)

On 28 February 2023 (Completion), the Group acquired 100 per cent of the issued share capital of Devico AS ("Devico"), incorporated and headquartered in Norway. Devico is a global leader in drill site technology, providing Sensor Technologies and Directional Drilling Technologies, combining hardware, software and services for the mining and civil engineering industries.

Total consideration paid was \$335.4 million (which includes the acquisition of Minority Interests in certain Devico subsidiary entities, acquired shortly following deal Completion). The Group paid \$322.4 million in cash and issued IMDEX Limited ordinary shares to the value of \$13.0 million.

The acquisition and associated transaction costs were fully funded by:

- Equity raising of \$224 million (net of transaction costs \$215.8 million);
- A new \$120 million debt facility with JP Morgan (net of transaction costs \$117.1 million); and
- The issue of IMDEX shares (Consideration Shares) to Devico Shareholder/Key Management Personnel (KMP), valued at \$13.0 million (5,480,847 shares at a deemed issue price of \$2.37 per share).

IMDEX entered into a forward contract prior to Completion, to fix the AUD equivalent purchase price. The loss on the fair value of the forward contract has been reflected in the goodwill recognised upon acquisition, in the consolidated financial statements.

Subsequent to Completion, IMDEX has acquired the Minority Interests in DHS (Aust) Pty Ltd (49%) for a cash consideration of \$3.8 million and Devico Canada Inc. (9.12%) for a cash consideration of \$2.5 million. At the date of the report, IMDEX owns 100% of Devico AS and its subsidiaries (collectively "Devico Group").

To clearly present the substance of the Devico acquisition, IMDEX has accounted for the acquisition of Devico AS on 28 February 2023 and the subsequent acquisitions of Minority Interests as one transaction - IMDEX acquiring 100% of Devico Group at Completion.

Following Completion, IMDEX also entered into Reinvestment Agreements with the KMP of Devico, under which these KMP have committed to reinvest their Consideration Shares, and IMDEX has granted an award of performance rights (Management Rights), equivalent to 50% of the Consideration Shares. Refer to Note 5.4 for details.

Assets acquired and liabilities assumed at Completion (provisional):

	Note	\$'000
Consideration		
Cash		322,408
Equity instruments		12,990
Total consideration		335,398
Fair value of net assets of business acquired		
Cash		17,113
Trade and other receivables ⁽ⁱ⁾		13,666
Inventory		10,563
Tax receivables		979
Other current assets		1,655
Property, plant and equipment ("PPE")	4.3	8,417
Right-of-use assets	4.4	7,437
Intangibles	4.5	97,200
Deferred tax assets		2,278
Trade and other payables		(6,732)
Lease liabilities		(7,437)
Borrowings	3.2	(8,814)
Deferred tax liability		(29,160)
Provisions		(1,050)
Tax liabilities		(3,680)
Total fair value of net assets of business acquired		102,435
Goodwill arising on acquisition		232,963

(i) The fair value of the receivables equals the gross contractual value.

Other

5.2 Acquisition of subsidiaries/assets (continued)

Acquisition of Devico AS (Subsidiaries) (continued)

The net assets of the business acquired were based on a provisional assessment of their fair value, while the Group finalises its review of the combined product offering and associated inventory and property, plant and equipment balances, tax balances and associated provisions, as well as the allocation of goodwill to operating segments. These reviews had not been completed by the date the 30 June 2023 financial statements were approved for issue by the Board of Directors.

Goodwill of \$233.0 million arose on the acquisition of Devico (including goodwill of \$29.2 million associated with recognition of deferred tax liabilities in relation to identified intangible assets). The goodwill recognised reflects the growth potential and synergies arising from the acquisition.

	\$'000
Net cash outflow arising on acquisition:	
Cash consideration	322,408
Less: cash and cash equivalent balances acquired	(17,113)
Net cash outflow	305,295

Included in the Group result for current period was a profit after tax of \$5.4 million in relation to Devico Group. Revenue for the current period included \$20.6 million in respect of Devico Group.

Acquisition of MinePortal Assets

In the prior period, the Group finalised an Asset Purchase Agreement ("APA") to acquire the MinePortal software from Californian-based DataCloud International Inc ("DataCloud").

The total purchase consideration comprises a combination of cash and equity. The Group has paid \$8.0 million in cash in September 2021 and issued 1,578,117 million of IMDEX Limited ordinary shares upon the first anniversary of completion on 17 September 2022. The balance of the transaction is payable by the issue of IMDEX shares over a three-year period, with an option to settle the payment by equivalent cash value based on the prevailing share price at the date of each anniversary (at IMDEX's discretion), as set out below:

- The issue of 1,578,117 million of IMDEX Limited ordinary shares upon the second anniversary of completion ("Tranche 2");
- The issue of 2,104,156 million of IMDEX Limited ordinary shares upon the third anniversary of completion ("Tranche 3"). Tranche 3 is applicable if revenue from the DataCloud assets achieves the target agreed between the parties by the third anniversary of completion. If this revenue target is not achieved no shares will be issued in Tranche 3.

The Company continues to progress development of the MinePortal solution with the focus on the MinePortal integration with Blast Dog. During the period, IMDEX has spent \$1.4 million on the development of the MinePortal project.

Other

5.3 Parent entity & subsidiary information

The ultimate parent entity in the Group is IMDEX Limited, a company incorporated in Western Australia.

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements.

Financial Position	2023 \$'000	2022 \$'000
Assets		
Current Assets	25,340	19,863
Non-Current Assets	486,902	149,857
Total Assets	512,242	169,720
Liabilities		
Current Liabilities	38,736	12,486
Non-Current Liabilities	102,546	22,795
Total Liabilities	141,282	35,281
Net Assets	370,960	134,439
Equity		
Issued Capital	401,163	169,078
Employee Equity-Settled Benefits Reserve	17,782	16,579
Foreign Currency Translation Reserve	(1,695)	(1,695)
Accumulated Losses	(46,290)	(49,523)
Total Equity	370,960	134,439
Financial Performance	2023 \$'000	2022 \$'000
Profit for the year	18,377	28,289
Other comprehensive income, net of income tax	-	-
Total comprehensive profit	18,377	28,289
Retained loss at the beginning of the financial year	(49,523)	(64,729)
Profit for the year	18,377	28,289
Dividend paid	(15,144)	(13,083)
Retained loss at the end of the financial year	(46,290)	(49,523)
The profit for the year and associated increase in total assets is primarily due to a new intercompany loan to a group entity, to support the investment in Devico AS.		
	30 June 2023 \$'000	30 June 2022 \$'000
Guarantee provided under the deed of cross guarantee	176,273	84,270
Commitments for the acquisition of property, plant and equipment by the parent entity		
Within one year	-	-
	-	-

Other

5.3 Parent entity & subsidiary information (continued)

Subsidiaries	Notes	Country of Incorporation	Ownership Interest	
			2023 %	2022 %
Parent Entity				
Imdex Limited	(i),(ii),(iii)	Australia		
Controlled Entities				
Australian Mud Company Pty Ltd	(ii),(iii)	Australia	100	100
Samchem Drilling Fluids & Chemicals (Pty) Ltd		South Africa	100	100
Imdex International Pty Ltd	(ii),(iii)	Australia	100	100
Imdex Africa Pty Ltd	(ii),(iii)	Australia	100	-
Imdex Technologies Pty Ltd	(ii),(iii)	Australia	100	-
Imdex Global Operations Pty Ltd	(ii),(iii)	Australia	100	-
Reflex Instruments Asia Pacific Pty Ltd	(ii),(iii)	Australia	100	100
Reflex Instrument North America Ltd		Canada	100	100
Reflex Instrument South America SPA		Chile	100	100
Reflex Instruments Europe Ltd		United Kingdom	100	100
AMC Europe GmbH		Germany	100	100
Flexit Australia Pty Ltd	(ii)	Australia	100	100
Imdex South America S.A.		Chile	100	100
AMC Chile S.A.		Chile	100	100
AMC Reflex Argentina S.A.		Argentina	100	100
AMC Reflex Peru S.A.C.		Peru	100	100
AMC Drilling Fluids Pvt Limited		India	100	100
Imdex Nominees Pty Ltd	(ii)(iv)	Australia	-	100
Imdex USA Inc		United States of America	100	100
Imdex Technologies USA LLC		United States of America	100	100
AMC USA LLC		United States of America	100	100
Reflex USA LLC		United States of America	100	100
Imdex DO Brasil Industria e Comercio Ltda		Brazil	100	100
Imdex Global B.V.		Netherlands	100	100
AMC Drilling Fluids & Products – Mexico S. de RL de C.V. Mexico		Mexico	100	100
AMCREFLEX CIA LTDA		Ecuador	100	100
Flexidrill Limited		New Zealand	100	100
Flexidrill Construction Limited		New Zealand	100	100
AusSpec International Limited		New Zealand	100	100
Devico AS	(v)	Norway	100	-
Devico Finland OY	(v)	Finland	100	-
Devico Bulgaria EOOD	(v)	Bulgaria	100	-
Devico Sweden AB	(v)	Sweden	100	-
Devico International Operations AS	(v)	Norway	100	-
Devico Mexico	(v)	Mexico	100	-
Devico Canada Inc	(v)	Canada	100	-
TECH Directional Services Inc	(v)	Canada	100	-
SurveyTech Instruments & Service Inc	(v)	Canada	100	-
Devico Australia Pty Ltd	(v)	Australia	100	-
DHS (Aust) Pty Ltd	(v)	Australia	100	-
Devico Asia Company Limited	(v)	China	100	-
Devico Chile	(v)	Chile	100	-
STYRD CD SAC	(v)	Peru	100	-
Styr Columbia	(v)	Columbia	100	-
Styr Brazil Perfuracoes	(v)	Brazil	100	-
DevicoEC. S.A.	(v)	Ecuador	100	-

Other

5.3 Parent entity & subsidiary information (continued)

- (i) IMDEX Limited is the ultimate parent company and is the head entity within the tax consolidated group.
- (ii) These companies are part of the Australian tax consolidated group.
- (iii) These wholly-owned subsidiaries entered into a deed of cross guarantee with Imdex Limited pursuant to *ASIC Class Order 98/1418* and are relieved from the requirement to prepare and lodge an audited financial report. Australian Mud Company Pty Ltd became a party to the deed on 29 Jun 2006, Imdex International Pty Ltd on 20 Oct 2006, Reflex Instruments Asia Pacific Pty Ltd on 14 Sep 2007, Reflex Technology International Pty Ltd on 28 Apr 2011 (de-registered 19 Sep 2019), Imdex Africa Pty Ltd on 15 June 2023, Imdex Technologies Pty Ltd on 15 June 2023 and Imdex Global Operations Pty Ltd on 15 June 2023.
- (iv) This entity was deregistered on 3 November 2022.
- (v) These entities were acquired on 28 February 2023.

The consolidated income statement of the entities which are party to the deed of cross guarantee are:

Income Statement	2023 \$'000	2022 \$'000 (restated)
Profit before income tax expense	7,037	22,188
Income tax (expense)/benefit	2,500	(3,768)
Profit for the year	9,537	18,420
Retained Earnings at the beginning of the financial year	(32,220)	(37,557)
Dividends paid	(15,144)	(13,083)
Net profit	9,537	18,420
Retained earnings at the end of the financial year	(37,827)	(32,220)

Other

5.3 Parent entity & subsidiary information (continued)

The consolidated statement of financial position of the entities which are party to the deed of cross guarantee are:

Balance Sheet	2023 \$'000	2022 \$'000 (restated)
Current assets		
Cash and cash equivalents	19,682	20,773
Trade and other receivables	33,622	45,618
Inventories	29,490	30,356
Other	3,739	3,234
Total current assets	86,533	99,981
Non-current assets		
Other financial assets	430,224	100,435
Property, plant and equipment	9,220	10,079
Right-of-use assets	13,650	14,475
Other intangible assets	9,885	6,745
Deferred tax assets	7,927	8,264
Investment in an associate	7,257	5,031
Total non-current assets	478,163	145,029
Total assets	564,696	245,010
Current liabilities		
Trade and other payables	25,713	38,212
Lease liabilities	1,743	2,079
Current borrowings	28,000	-
Provisions	5,518	4,326
Total current liabilities	60,974	44,617
Non-current liabilities		
Other financial liabilities	2,172	8,676
Lease liabilities	17,786	18,508
Borrowings	95,048	12,166
Provisions	293	303
Total non-current liabilities	115,299	39,653
Total liabilities	176,273	84,270
Net assets	388,423	160,740
Equity		
Contributed capital	40,1128	169,042
Employee equity-settled benefits reserve	17,880	16,676
Foreign currency translation reserve	7,242	7,242
Retained earnings	(37,827)	(32,220)
Total equity	388,423	160,740

The Company has restated the prior year other financial assets balance resulting in a reduction \$8.6 million for the prior period in relation to the impairment of an investment in a subsidiary.

Other

5.4 Reserves

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Australian dollars, which is the functional currency of IMDEX, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned or likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

On consolidation, the assets and liabilities of the Group's foreign operations are translated into Australian dollars at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used.

Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity on or after the date of transition to A-IFRS are treated as assets and liabilities of the foreign entity and translated at exchange rates prevailing at the reporting date. Goodwill arising on acquisitions before the date of transition to A-IFRS is treated as an Australian dollar denominated asset.

Equity-settled performance rights with employees and others providing similar services are measured at the fair value of the equity instrument at the grant date. Fair value is measured by the use of the Black-Scholes Model, Binomial Tree Method or Monte-Carlo Simulation as appropriate. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The fair value determined at the grant date of the performance right is expensed over the vesting period, based on the Group's estimate of shares that will eventually vest.

At each reporting date, the Group revises its estimate of the number of performance rights expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to the employee equity-settled benefits reserve.

Performance Rights Plan

At the Imdex Limited Annual General Meeting on 15 October 2009 the Shareholders approved the formation of a Performance Rights Plan (PRP or Plan) and subsequently renewed at the Annual General Meeting on 18 October 2012, 20 November 2015, 4 October 2018 and 7 October 2021. The Plan allows for the issue of performance rights to employees from time to time. The quantum of performance rights granted to employees is at the discretion of the Directors and is generally based on seniority and level of contribution to the strategic goals of IMDEX. A performance right is the right to receive one fully paid IMDEX ordinary share for nil consideration should set hurdles be achieved and tenure of employment be maintained. The hurdles are set by the Directors when performance rights are issued and are generally linked to the achievement of financial or other strategic goals of IMDEX.

Other

5.4 Reserves (continued)

Performance rights granted in the current and prior year

Item	FY23 LTI Award	FY23 STI Award	FY23 Devico KMP Award	FY22 LTI Award - Executives	FY22 LTI Award - Employees	FY22 STI CEO Award	FY22 STI Award	FY21 LTI Award
Exercise price	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Number of rights granted	3,826,242	1,404,328	2,694,166	1,464,179	1,783,958	214,396	1,742,657	3,640,787
Grant date	15-Aug-22	01-Jul-22	28-Feb-23	12-Aug-21	16-Aug-21	25-Jun-21	01-Jul-21	01-Jul-20
Commencement of measurement period	01-Jul-22	01-Jul-22	28-Feb-23	01-Jul-21	01-Jul-21	12-Aug-21	01-Jul-21	01-Jul-20
Performance period (years)	3	2	3	3	3	3	2	3
Remaining performance period (years)	2	1	2	1	1	1.12	-	-
Vesting date	30-Jun-25	1-July-24	28-Feb-26	30-Jun-24	30-Jun-24	11-Aug-24	1-July-23	30-Jun-23
Vesting conditions	Note 1	Note 2	Note 3	Note 1	Note 1	Note 4	Note 2	Note 5
Valuation per right at grant date	\$1.528	\$1.834	\$2.254	\$1.835	\$2.185	\$1.859	\$1.930	\$1.047
Estimated total cost	\$4,802,944	\$2,575,538	\$6,072,649	\$2,120,086	\$3,007,648	\$188,562	\$3,330,420	\$3,033,666
Current period cost	\$1,578,944	\$1,569,853	\$675,970	\$706,695	\$944,552	\$62,854	\$1,692,483	\$647,942

Note 1.

3,826,242 performance rights were issued to employees in September 2022 (3,248,137 were issued in 2021) (50% based on Relative TSR, 20% based on absolute EPS and 30% based on strategic measures). Upon successful achievement of the hurdles, allotment of these performance rights will occur in September 2025 (once the 2025 financial year independent audit report is signed).

Exercise of the performance rights at the end of the 3-year period will commence when the Company's performance (as calculated by the Performance Measures) is at 50% and above. At 50%, the allocation will be 50% of the total entitlement. This entitlement increases on a linear scale and achieves 100% entitlement when the Company's performance is at the 75th percentile.

The number of Relative TSR Rights and EPS Rights that vest is based on the Relative TSR performance against a peer group consisting of the ASX300 Resources Index and against absolute EPS performance over the 3-year measurement period. The Strategic Rights vest subject to growth in new businesses from transformational (non-core) revenue linked to the transformational (non-core) component of the research and development budget. Performance relating to the Strategic Rights is assessed by the Board of Imdex at the end of the performance period.

Note 2.

The Company provides an option for employees to defer a component of their STI award in exchange for the award of additional performance rights (STI Award). STI Awards for senior management will be deferred automatically (50% of the STI outcome). STI Awards vest over a 12-month period subject to continued employment with the Company.

Note 3.

The Company has issued management rights to key management personnel of Devico AS. The management rights are subject to the continuous employment with the Company for three years following completion of the acquisition, as well as achievement of agreed performance milestones (refer to Note 5.2 Acquisition of Subsidiaries/Assets). The current period cost is included in Devico integration costs (refer to Note 2.6 Individually Significant Items)

Note 4.

The CEO Rights vest subject to the continued service of the holder over three years from the date of issue of the CEO Rights.

Note 5.

3,640,787 performance rights were issued to employees in July 2020 (50% based on Relative TSR and 50% based on Relative EPS). Upon successful achievement of the hurdles, allotment of these performance rights will occur in September 2023 once the financial year independent audit report is signed.

Other

5.4 Reserves (continued)

Outstanding Performance Rights

2023					Estimated Number of Performance Rights			
Grant Date	Expiry Date	Exercise Price \$	Market value at grant date \$	Opening balance	Granted	Satisfied by the allotment of shares	Expired ^	Closing balance
FY20 LTI	Jul-19	Jul-22	-	1.109	2,607,691	(1,773,545)	(834,146)	-
FY20 MD LTI	Oct-19	Jul-22	-	1.109	127,602		(127,602)	-
FY21 LTI	Jul-20	Jul-23	-	1.047	3,153,582		(120,317)	3,033,265
FY22 LTI	Aug-21	Jul-24	-	2.027	3,037,887		(92,600)	2,945,287
FY22 STI CEO	Jun-21	Aug-24	-	1.859	214,396		-	214,396
FY23 LTI	Aug-22	Jul-25	-	1.528	-	3,826,242	(148,113)	3,678,129
FY22 STI	Jul-21	Jul-22	-	1.979	-	1,742,657	(17,051)	1,725,606
FY23 Devico KMP	Feb-23	Feb-26	-	2.254	-	2,694,166	-	2,694,166

2022					Estimated Number of Performance Rights			
Grant Date	Expiry Date	Exercise Price \$	Market value at grant date \$	Opening balance	Granted	Satisfied by the allotment of shares	Expired ^	Closing balance
FY19 LTI	Jul-18	Jul-21	-	0.947	2,438,151	-	(1,627,417)	(810,734)
FY19 MD LTI	Nov-18	Jul-21	-	1.079	364,086	-	(236,766)	(127,320)
FY20 LTI	Jul-19	Jul-22	-	1.109	2,900,924	-	-	(293,233)
FY20 MD LTI	Oct-19	Jul-22	-	1.109	127,602	-	-	-
FY21 LTI	Jul-20	Jul-23	-	1.047	3,561,042	-	-	(407,460)
FY22 LTI	Aug-21	Jul-24	-	2.027	-	3,248,137	-	(210,250)
FY22 STI CEO	Jun-21	Aug-24	-	1.859	-	214,396	-	-

^ - Performance rights expire either on failure to maintain employment tenure or on failure to satisfy performance hurdles.

Significant accounting estimates and assumptions

Share-based payments recorded for the performance rights are subject to estimation as they are calculated using the Black-Scholes option pricing, Binomial Tree Method or Monte-Carlo Simulation model, as appropriate, which is based on significant assumptions such as volatility, dividend yield, expected term and forfeiture rate.

Other

5.5 Contingent assets & liabilities

The Group is party to legal proceedings and claims which arise in the normal course of business. Any liabilities may be mitigated by legal defences, insurance, and third-party indemnities. Unless recognised as a provision (refer Note 4.7), management do not consider it to be probable that they will require settlement at the Group's expense.

(i) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

A Federal Court judgement was delivered on the 12 July 2022 relating to a case whereby the Group was seeking to invalidate a Globaltech Corporation Pty Ltd patent. The Group was unsuccessful in its petition to the court, with the patent being upheld. The initial decision granted costs be payable to Globaltech Corporation Pty Ltd. The parties failed to agree on the quantum of costs therefore the claim was subject to a cost assessment.

In March 2023 the costs were determined by the Registrar of the Court at \$0.8 million, payable to Globaltech Corporation Pty Ltd. In a separate Federal Court proceedings (NSD1089/2016), a matter in which the Group have had a judgment in their favour where Globaltech Corporation Pty Ltd has found to be infringing the Group patent, the costs have been determined by the Registrar of the Court at \$1.7 million payable to IMDEX. These two cost amounts were set off against each other, with Globaltech and Boart Longyear making the net payment of \$0.9 million to IMDEX in July 2023.

Whilst the outcome of these legal proceedings are, by their nature, uncertain, the Directors do not currently anticipate that the outcome of the proceedings either individually or in aggregate will have a material adverse effect on the Group's financial position, therefore, an estimate of the financial effect of this matter has not been provided.

(ii) Contingent assets

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

A subsidiary of the Group (Australian Mud Company Pty Ltd or "AMC") is currently a party to litigation in relation to infringement of patents by a third party. The courts have found in favour of AMC on the matter, and the company is awaiting an outcome on the quantum of the financial settlement.

Whilst the outcome of these legal proceedings are, by their nature, uncertain, the Directors do not currently anticipate that the outcome of the proceedings either individually or in aggregate will have a material adverse effect on the Group's financial position, therefore, an estimate of the financial effect of this matter has not been provided.

Other

5.6 Key management personnel compensation

The aggregate compensation of the Key management personnel of the Group and the Company is set out below:

	2023 \$	2022 \$
Short-term employee benefits	3,454,475	4,106,200
Post-employment benefits	137,500	170,899
Other long-term benefits	77,146	41,679
Termination benefits	-	281,098
Share-based payments	833,649	997,611
	4,502,770	5,597,487

5.7 Related party transactions

There are no transactions and balances with key management personnel and their related parties during the current period.

Other

5.8 Auditor's remuneration

The auditor of IMDEX is Deloitte Touche Tohmatsu.

During the year, the following fees were paid or were payable for services provided by the auditor of the parent entity and its related practices:

	Notes	2023 \$	2022 \$
Deloitte and related network firms			
Audit or review of the financial report			
- Group		562,960	432,000
- Subsidiaries		372,100	182,500
		935,060	614,500
Other assurance and agreed-upon procedures under other legislation or contractual arrangements		14,904	13,800
Other services:			
- Tax and corporate compliance services		3,896	3,140
- Legal services		3,151	2,507
- Other services	(i)	11,000	47,250
		18,047	52,897
		968,011	681,197
Other auditors and their related network firms			
Audit or review of the financial report			
- Subsidiaries		176,798	149,759
Other services:			
- Accounting and other services		3,444	2,101
		3,444	2,101
		180,242	151,860

(i) Accounting advice services (FY22: Related to Payment Times Reporting services).

5.9 Subsequent events

There have been no matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations of the Group, the result of these operations, or the state of affairs of the Group in future financial years.



Deloitte Touche Tohmatsu
ABN 74 490 121 060

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123 St Georges Terrace
Perth WA 6000
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Perth WA 6837 Australia

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Fax: +61 8 9365 7001
www.deloitte.com.au

The Board of Directors
IMDEX Limited
216 Balcatta Road
Balcatta WA 6021

26 August 2023

Dear Directors

Auditor's Independence Declaration to IMDEX Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of IMDEX Limited.

As lead audit partner for the audit of the financial report of IMDEX Limited for the year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

DELOITTE TOUCHE TOHMATSU

Peter Rupp
Partner

Independent Auditor's Report to the Members of IMDEX Limited Report on the Audit of the Financial Report

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of IMDEX Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2023, consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
<p>Devico Business Combination</p> <p>On 19 January 2023, the Group (via its wholly owned subsidiary) entered into a binding agreement to acquire Devico AS (“Devico”) for an implied enterprise value of \$324 million. The Group acquired 100% of the issued and outstanding shares in Devico for A\$335 million (Acquisition Consideration).</p> <p>The acquisition is significant to the Group and accounting for the acquisition was complex due to the judgement required by the Group to identify and determine the provisional fair values of the assets acquired and the liabilities assumed, including the allocation of purchase consideration to goodwill and separately identifiable intangible assets.</p> <p>The acquisition also substantially increased audit effort in the scoping, direction, supervision and review of overseas component auditors given the impact of this expansion of the Group’s global operations.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We read the Share Purchase Agreement to gain an understanding of the key terms • We assessed the appropriateness of the acquisition accounting applied in accordance with the requirements of Australian Accounting Standards • We agreed the total purchase consideration paid to supporting documentation • We audited opening balances acquired utilising component auditors; • We assessed the reasonableness of the provisional fair values of the assets acquired and liabilities assumed, with the assistance of our valuation specialists, including considering whether the valuation methodologies applied were in accordance with the requirements of Australian Accounting Standards • We assessed the qualifications, competence and objectivity of the Group’s external experts involved in the fair value assessment process • We considered the adequacy of the financial report disclosures. <p>In respect of the increased scope of audit work that was required to be performed overseas by component auditors:</p> <ul style="list-style-type: none"> • We determined audit materiality at the Group level and for all components in scope. • We evaluated the scope of work to be performed at each key location, including the legacy IMDEX business components and issued referral instructions to the component auditors. • We performed site visits to Norway and Canada, met with local management and the component auditors, including both non-Deloitte component auditors, to gain an understanding of the component’s operations. • We held regular meetings with all component teams to discuss the outcome and extent of their procedures in accordance with our referral instructions. • We reviewed the underlying working papers and documentation of the component auditors for selected areas of audit focus. • We ensured that the trial balance and related supporting schedules audited by the component auditors agreed to the Group consolidation schedule and, where relevant, financial statement notes. • We assessed the accounting policies of the components for consistency with the Group’s accounting policies and tested the Group’s accounting for intercompany transactions.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 30 June 2023, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 126-140 of the Directors' Report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of IMDEX Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

DELOITTE TOUCHE TOHMATSU

Peter Rupp

Partner

Chartered Accountants

Perth, 26 August 2023



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Additional Security Exchange Information as at 24 August 2023

(a) Distribution of Shareholders

	Number of Fully Paid Ordinary Shareholders	Number of Performance Rights Holders
1 – 1,000	1,241	-
1,001 – 5,000	1,546	37
5,001 – 10,000	686	29
10,001 to 100,000	872	96
100,001 and over	107	35
	4,452	197
Holding less than a marketable parcel	277	-

(b) Substantial Shareholders

Ordinary Shareholders	Fully Paid	
	Number	Percentage
L1 Capital Pty Ltd	68,624,999	13.5
FMR LLC	28,719,034	5.7
Vanguard Group Holdings	25,548,620	5.0
Macquarie Group Limited	16,493,220	3.3
BlackRock, Inc.	15,860,832	3.1

(c) Twenty Largest Holders of Quoted Equity Securities

Ordinary Shareholders	Fully Paid	
	Number	Percentage
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	136,270,052	26.87
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	80,619,735	15.90
CITICORP NOMINEES PTY LIMITED	78,349,489	15.45
NATIONAL NOMINEES LIMITED	36,155,118	7.13
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	33,044,237	6.52
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSI EDA	30,611,607	6.04
UBS NOMINEES PTY LTD	9,014,600	1.78
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	8,577,172	1.69
BNP PARIBAS NOMS PTY LTD <DRP>	6,736,092	1.33
BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS DRP>	5,263,718	1.04
MR RICHARD KARL HILL <ICENA ACCOUNT>	4,415,758	0.87
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	4,259,902	0.84
SANDHURST TRUSTEES LTD <ENDEAVOR ASSET MGMT MDA A/C>	3,116,886	0.61
NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	2,671,665	0.53
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	2,488,855	0.49
FIRST SAMUEL LTD ACN 086243567 <ANF ITS MDA CLIENTS A/C>	1,621,498	0.32
AEW HOLDINGS PTY LTD <AEW CAPITAL A/C>	1,613,636	0.32
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	1,535,630	0.30
SANDHURST TRUSTEES LTD <JMFG CONSOL A/C>	1,410,922	0.28
LTMAS AS	1,382,558	0.27
	449,159,130	88.56

Additional Security Exchange Information as at 24 August 2023

(d) Director and Company Secretary Shareholdings

Name	Number of Shares	Number of Performance Rights
Mr. A. Wooles	1,613,636	-
Mr. I. Gustavino	22,728	-
Ms. S. Layman	157,083	-
Mr. U. Airhiavbere	-	-
Ms. T. Arlaud	-	-
Mr. M Tomasz	-	367,934
	1,793,447	367,934

(e) Company Secretary

Mr Michael Tomasz

(f) Registered Office

216 Balcatta Road
Balcatta
Western Australia
6021
Phone: (08) 9445 4010

(g) Share Registry

Computershare Investor Services
Level 11
172 St Georges Terrace
Perth
Western Australia
6000
Phone: (08) 9323 2000

SHAREHOLDER INFORMATION

Corporate Information

Registered Company Name:	IMDEX Limited
ABN:	78 008 947 813
Exchange:	Listed on the Australian Securities Exchange (ASX)
ASX Code:	IMD
Listing Date:	24 September 1987
Registered Head Office:	216 Balcatta Road, Balcatta, Western Australia 6021
Registered PO Box:	PO BOX 1262, Osborne Park, Western Australia 6916
Telephone:	+61 (8) 9445 4010
Email:	imdex@imdexlimited.com
Web Address:	www.imdexlimited.com
Bank Institutions:	Commonwealth Bank of Australia
Auditors:	Deloitte Touche Tohmatsu
Legal Advisors:	HopgoodGanim
Share Registry:	Computershare



Share Price Performance

Price for IMD.ASX



Top 20 Largest Shareholders

as at 30 June 2023

Rank	Name	% ISC
1	L1 Capital Pty Ltd.	13.7%
2	Fidelity Management & Research Company LLC	5.4%
3	Vinva Investment Management Limited	4.4%
4	The Vanguard Group, Inc.	3.5%
5	Yarra Funds Management Limited	2.8%
6	Regal Funds Management Pty. Ltd.	2.3%
7	Ausbil Investment Management Limited	2.2%
8	MFS Investment Management	2.2%
9	Tribeca Investment Partners Pty Ltd.	2.1%
10	Norges Bank Investment Management (NBIM)	2.1%
11	Acadian Asset Management LLC	2.0%
12	Macquarie Investment Management Global Ltd.	1.9%
13	Apis Capital Advisors LLC	1.8%
14	Pie Funds Management Limited	1.7%
15	BlackRock Investment Management (Australia) Ltd.	1.7%
16	DFA Australia Ltd.	1.7%
17	Ellerston Capital Limited	1.7%
18	Vanguard Investments Australia Ltd.	1.6%
19	Cbus Super	1.4%
20	FIL Investment Management (Australia) Limited	1.4%



Key Announcements

4/7/2022	FY22 Results Teleconference and Webcast Details
3/8/2022	BLY: BLY's Strategic Partner Successfully Defends Patent
15/8/2022	Preliminary Final Report
15/8/2022	Annual Report to shareholders
15/8/2022	Appendix 4G and Corporate Governance Statement
15/8/2022	IMDEX FY22 Results Announcement
15/8/2022	IMDEX Full Year Results Presentation FY22
15/8/2022	Dividend/Distribution - IMD
15/8/2022	BLAST DOG Contract Announcement
15/8/2022	FY22 Results Teleconference and Webcast Script
19/8/2022	Change of Director's Interest Notice
22/8/2022	Amendment to Change of Director's Interest Notice
23/8/2022	FY22 Teleconference and Webcast Details Sustainability Report
2/9/2022	BLY: Update-Strategic Partner's Optical Device Patent Litigation
5/9/2022	Notice of Annual General Meeting/Proxy Form
5/9/2022	Director Appointment/Resignation
6/9/2022	BLY: Boart Longyear provides Patent Litigation Clarification
12/9/2022	CEO Trading Update
14/9/2022	Investor Webinar Presentation
15/9/2022	FY22 Sustainability Report
15/9/2022	FY22 Sustainability Report Presentation
6/10/2022	2022 AGM Chairman and CEO Presentations
6/10/2022	Results of Meeting
6/10/2022	Final Director's Interest Notice
2/11/2022	Imdex Successfully Defends Patented Technologies
24/11/2022	BLY unsuccessful in Federal Court stay application
28/11/2022	USA IP Agreement with BLY & Globaltech
29/11/2022	BLY: IMDEX, Globaltech & BLY reach agreement on IP in USA
30/11/2022	Macquarie WA Forum Presentation
6/12/2022	BLY: Update on Patent Litigation - Core Orientation Tech
19/12/2022	Director Appointment/Resignation
8/6/2023	IMD Morgan Stanley Presentation

Annual General Meeting

Our Annual General Meeting will be held on 19 October 2023, at 11:00 am (AWST) at IMDEX's Head Office.

Members of our Board and Executive Leadership Committee will be available to discuss the Company's performance, operations, and technologies.

Corporate Calendar

28 August 2023	Release of FY23 Full Year Results
28 August – 1 September 2023	FY23 Full Year Results Road Show
19 October 2023	FY23 Annual General Meeting
2 November 2023	IMDEX Technology Deep Dive
19 February 2024	Release of FY24 Half Year Results
19 - 23 February 2024	FY24 Half Year Results Road Show
30 June 2024	FY24 Year End
19 August 2024	Release of FY24 Full Results
19 - 23 August 2024	FY24 Full Year Results Road Show

 Any changes to the Corporate Calendar will be published at <https://www.imdexlimited.com/investors/corporate-calendar>

Share Registry Enquiries

Investors seeking information about their shareholdings should contact IMDEX's share registry:

Computershare Investor Services Pty Limited

Address: Level 11, 172 St Georges Terrace Perth WA 6000

Postal address: GPO Box D182 Perth WA 6840

Telephone: 1300 558 507 (within Australia) +61 3 9415 4632 (outside Australia)

Facsimile: +61 3 9473 2500

Email: web.queries@computershare.com.au

Computershare can assist with queries on share transfers, dividend payments, the dividend reinvestment plan, notification of tax file numbers and changes of name, address or bank account details.

 Further information and downloadable forms can be found at <https://www.imdexlimited.com/investors/shareholder-services>

Company History

December 1980	Australian company Pilbara Gold NL incorporated
July 1985	Pilbara Gold NL changed name to IMDEX Limited
September 1987	IMDEX Limited listed on the ASX
1988	Formation of Australian Mud Company
1997	Acquisition of Surtron Technologies Pty Ltd and Ace Drilling Supplies
2001	Joint venture formed with IMDEX and Rashid Trading Establishment (RTE) in Saudi Arabia July
2005	Sale of IMDEX Minerals August
2005	Acquisition of African based company Samchem
August 2006	Acquisition of Swedish based REFLEX Group of Companies and United Kingdom based company Chardec
May 2007	Acquisition of Swedish based company Flexit
July 2007	Ace merged with REFLEX. IMDEX finalised the sale of its interest in IMDEX Arabia to RTE Acquisition of Canadian based Poly-Drill and a 75% interest in Kazakhstan based Suay Energy Services
October 2007	Sale of Surtron Technologies
November 2007	Acquisition of Chilean based company Southernland
January 2008	Acquisition of German based company System Entwicklungs
July 2008	Acquisition of the remaining 25% of Kazakhstan based Suay Energy Services
September 2008	Acquisition of Australian based company Wildcat Chemicals Australia
July 2010	New regional structure implemented and business reporting streamlined into Minerals and Oil & Gas Divisions
September 2010	Acquisition of Australian based companies Fluidstar and Ecospin March 2011 Acquisition of German based company Mud-Data
July 2011	Formation of DHS Services joint venture Acquisition of Australian based company Australian Drilling Specialties Pty Ltd
August 2011	Acquisition of Brazilian based company System Mud Indústria e Comércio Ltda
January 2012	Acquisition of Vaughn Energy Services (VES) by IMDEX's DHS Services joint venture
November 2012	Acquisition of ioGlobal Pty Ltd, ioAnalytics Pty Ltd and ioGlobal Solutions Inc. (together ioGlobal)
December 2012	DHS Services and Vaughn Energy Services rebranded as VES International
September 2014	Acquisition of 2iC
June 2015	Divestment of Suay Energy Services
2016	Divestment of AMC Oil & Gas
January 2018	Option to acquire Flexidrill Limited and Flexidrill Construction Limited (together Flexidrill)
January 2020	Completed acquisition of Flexidrill
July 2020	Completed acquisition of AusSpec International
September 2021	Completed acquisition of DataCloud International Inc.
November 2021	Investment in Datarock Holdings Pty Ltd
February 2023	Acquisition of Devico
April 2023	40% interest in Krux Analytics

Forward Looking Statements

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