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19 February 2018

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

Dear Sir/Madam

RESULTS ANNOUNCEMENT, APPENDIX 4D AND FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2017

Please find attached the 1H18 Results Announcement of Imdex Limited regarding the Group's financial results and operating performance for the half year ended 31 December 2017.

Yours faithfully
Imdex Limited

A handwritten signature in blue ink, appearing to read "P. Evans", with a long horizontal flourish extending to the right.

Paul Evans
Company Secretary

19 February 2018

IMD 1H18 FINANCIAL RESULTS

IMDEX Limited (ASX: IMD) (“IMDEX” or the “Company”), a leading mining equipment, technology and services (METS) provider to the global minerals industry, today announces its results for the six months ended 31 December 2017 (1H18).

Financial & Operational Summary

- Revenue of \$104.7 million, up 28% (1H17: \$81.8 million)
- EBITDA of \$20.1 million, up 49% (1H17: \$13.5 million)
- Net profit after tax of \$10.6 million (1H17: a loss of \$9.9 millionⁱ)
- Continued broad-based recovery of the global minerals industry
- 25% increase in the number of REFLEX instruments on hire (at 31 January 2018 versus 31 January 2017)
- Continued investment in R&D and a strategic option to acquire near-commercial CoreVIBETM and MagHAMMERTM technologies
- Robust balance sheet to drive organic and transformational growth within the mining value chain

ⁱ Includes \$16.2m (non-cash \$11.5m) of financing costs in relation to the Bain Capital debt, which was fully repaid.

Commenting on the Company’s 1H18 results, IMDEX’s Managing Director, Mr Bernie Ridgeway said:

“Our pleasing results were due to the growing demand for our leading technologies, which enhance the efficiency and productivity of our clients operations, together with the continued broad-based recovery of the global minerals industry.

“The increasing demand and recovery has continued into this calendar year, where January 2018 revenue was a record for that month. One of the drivers for this result was the total number of REFLEX instruments on hire at 31 January 2018 being up 25% on 31 January 2017.”

1H18 Financial Performance

During 1H18 IMDEX generated revenue of \$104.7 million (1H17: \$81.8 million). The 28% uplift in revenue was due to the Company’s integrated solutions, which include IMDEX’s leading AMC and REFLEX brands, and increased activity within the global minerals industry.

IMDEX's EBITDA for the half was \$20.1 million and exceeded the prior corresponding period (1H17: \$13.5 million) by 49%. The result reflected growing revenue and the Company's ability to leverage its fixed costs, while increasing its investment in the business. This investment in the business since 30 June 2017 included greater inventory levels to support contract wins and the escalation in market activity. Similarly, debtor and receivable days outstanding increased over the same period; however, IMDEX remains very focused on working capital management and cost discipline.

The Company has a robust balance sheet with the ability to pursue its organic and transformational growth strategy within the mining value chain.

CoreVIBE[™] & MagHAMMER[™] Technologies

As announced on 18 January 2018, IMDEX has entered into an exclusive option and technology development agreement to acquire New Zealand based companies Flexidrill Limited and Flexidrill Construction Limited (together "Flexidrill") and its patent protected technologies – the CoreVIBE[™] and MagHAMMER[™], which can be commercialised in the near-term.

The CoreVIBE[™] technology has the potential to increase average drilling productivity rates by approximately 30% in traditional diamond coring applications – results that have been supported to date by IMDEX field trials.

The MagHAMMER[™] technology allows for RC drilling to be run without compressed air resulting in significant economic, safety and operational benefits. It may also be used for blast hole drilling applications.

The CoreVIBE[™] and MagHAMMER[™] technologies are patent protected and align with IMDEX's rental model. These technologies complement IMDEX's Drilling Optimisation Solution and would strengthen the Company's competitive position in this market segment.

IMDEX is the only company to provide such integrated and connected solutions. These are unable to be replicated by competitors due to patent protection.

Should IMDEX exercise its option, these technologies are expected to provide a significant additional global revenue stream for the Company in the near-term and be EPS accretive within 12 months of option exercise.

Outlook

Operating conditions remain positive for IMDEX and the Company anticipates a strong 2H18. The cyclical upswing of the minerals industry continues, with a broad-based recovery evident across all geographies.

Commodity prices generally are now at their highest in a little over three years and there remains a fundamental industry need to replace diminishing reserves.

Resource companies are largely well-funded and are increasing their exploration budgets, particularly for expansionary brownfield projects. Similarly, capital equipment providers are reporting increasing orders from the mining sector and are preparing for a stronger calendar 2018.

Increasing efficiencies and driving cost reductions remain a focus for the industry and new technologies are gaining momentum to deliver these productivity improvements.

IMDEX continues to partner with clients and work with industry, to develop technologies for the complete mining value chain – from exploration to production.

Chairman of IMDEX, Mr Anthony Wooles said:

“As a company with well-established global operations, IMDEX is located where the exploration dollars are being spent and has considerable operational leverage. Importantly, the Company’s leading technologies and connectivity capability provide a significant competitive advantage.

“The Board and Executive Management Team remain focused on delivering sustainable earnings growth for IMDEX’s investors. We are confident the Company is in a strong position to achieve this objective.”