



2018 Full Year Results Presentation

Bernie Ridgeway – IMDEX Managing Director

Paul Evans – Chief Financial Officer & Company Secretary

Paul House – Chief Operating Officer

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IMDEX[™]
REAL-TIME SUBSURFACE SOLUTIONS



We are a leading global mining equipment, technology and services (METS) company



Our solutions improve the process of identifying and extracting what is below the earth's surface

We let clients know where it is and what it is...now.



for drilling contractors and resource companies



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

FY18 Highlights

Financial and operational



Increased revenue 24% and EBITDA 35%



Progressed transition towards One IMDEX – integrated solutions



Improved safety performance for FY18



REFLEX instruments on hire increased



Accelerated project for drill and blast



Continued investment in R&D – commercialised new technologies



Maintained robust balance sheet



Option to acquire CoreVIBETM and MagHAMMERTM technologies



Advanced digital transformation program

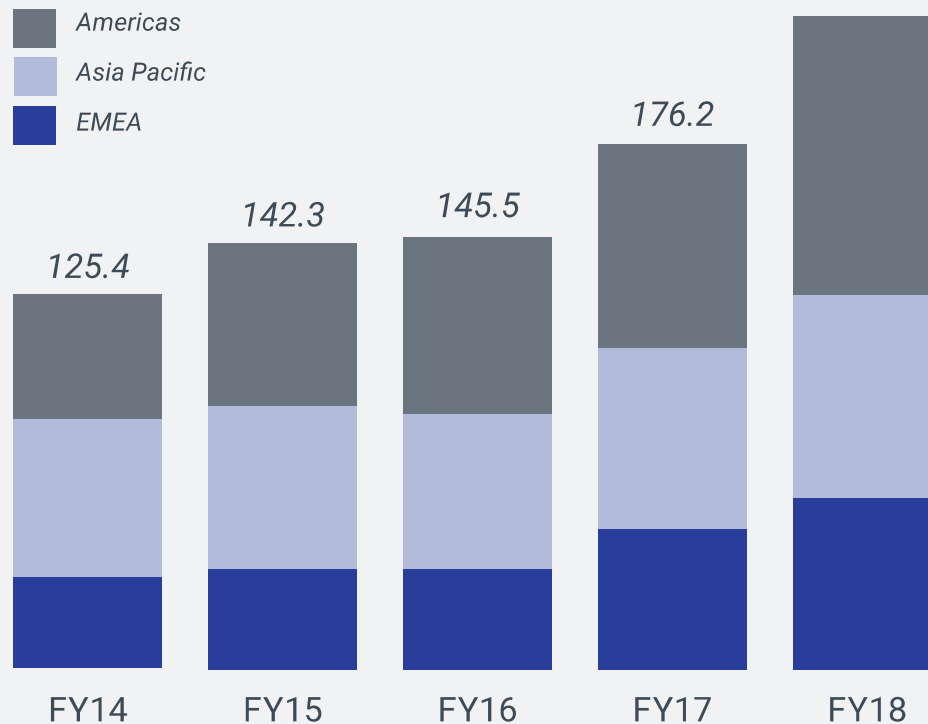
Key Financial Metrics

	FY18 \$m	FY17 \$m	VAR \$m	VAR%
Revenue	218.5	176.2	42.3	24% ▲
EBITDA (from continuing operations)	42.4	31.5	10.9	35% ▲
NPAT	21.1	3.7 ¹	17.4	470% ▲
EPS (cents)	5.7	1.1	4.6	418% ▲
Operating cash flow	15.9	13.1	2.8	21% ▲
Net assets	186.1	159.8	26.3	16% ▲

¹ Includes \$16.2m (non-cash \$11.5m) of financing costs in relation to the previous Bain Capital debt which was fully repaid

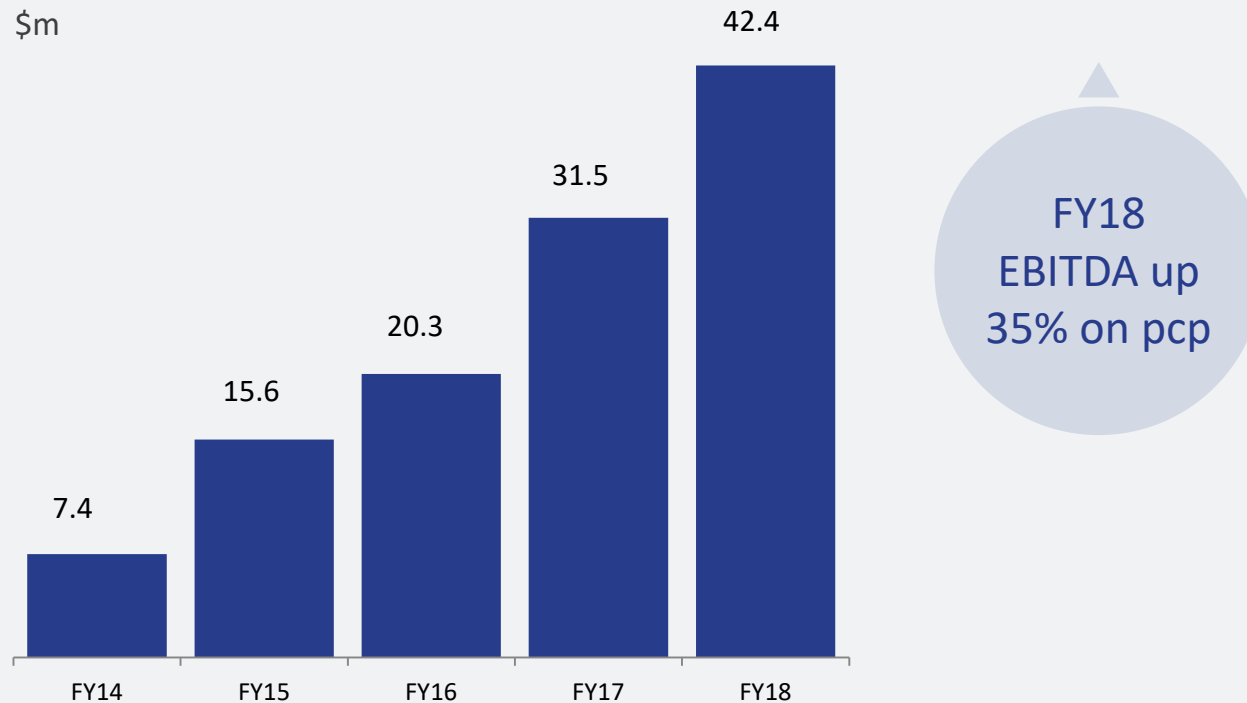
Minerals Revenue by Region

FY18 \$m



- Increasing revenue across all regions – highest revenue and growth potential in Americas
- Business benefits from global presence and regional expertise
- Steady increase in activity throughout FY18 and into FY19
- July 2018 highest monthly revenue since September 2011

Minerals EBITDA



Additional investment in transformational initiatives of ~\$6.3 million* during FY18

**Investment includes internal digital transformation program and further development of technologies to support transformational growth (IMS Drill & Blast & CoreVIBETM and MagHAMMERTM) within the mining value chain.*

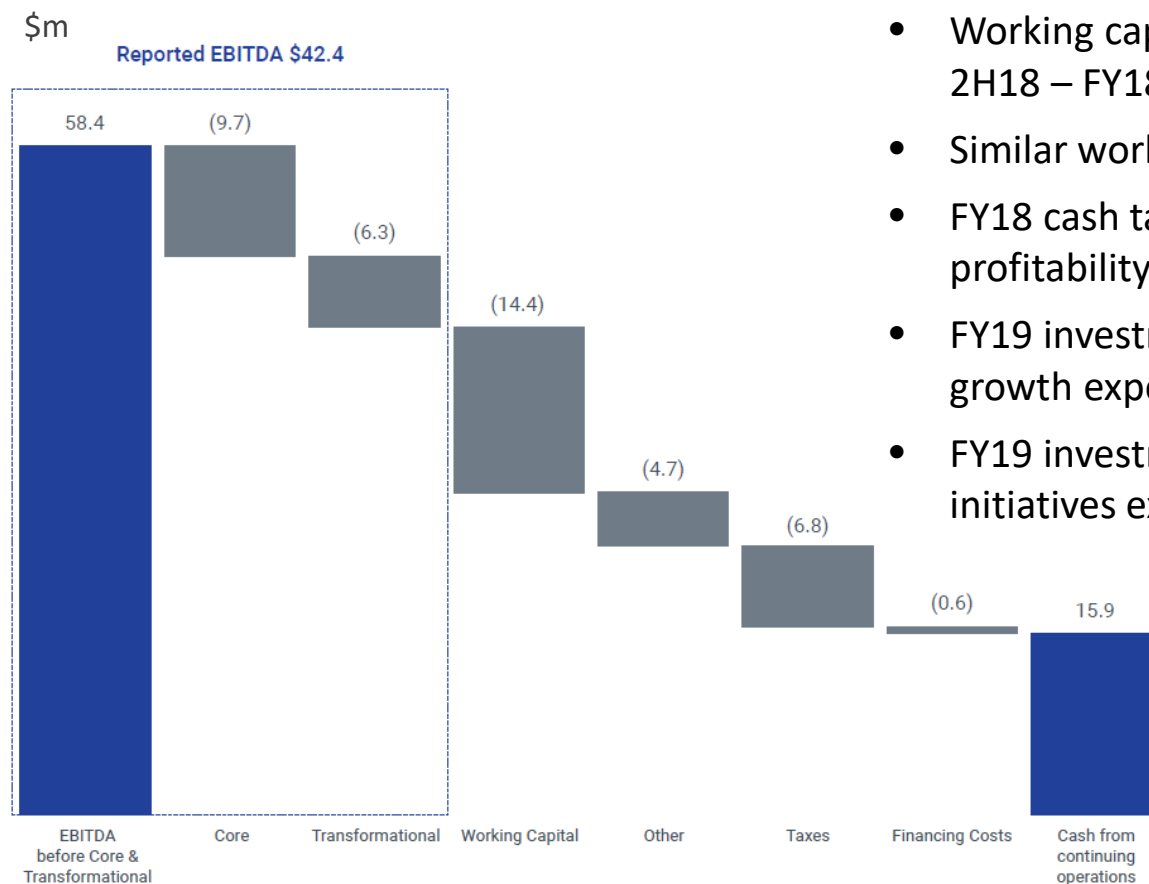
Balance Sheet

\$m	30 JUN 18	30 JUN 17
Cash	13.9	19.4
Receivables	49.3	41.5
Inventory	33.6	29.9
Fixed assets	36.5	32.2
Intangibles	59.5	60.4
Other assets / deferred tax	33.3	27.5
TOTAL ASSETS	226.1	210.9
Payables	26.4	30.4
Bank loans	5.9	6.5
HP finance	0.2	0.6
Other liabilities, provisions, current tax	7.5	13.6
TOTAL EQUITY	186.1	159.8

- Robust balance sheet
- Net assets increased 16%
- Net cash position maintained

Reconciliation of EBITDA

To cash flow from operations



- Working capital investment normalised in 2H18 – FY18 in line with expectations
- Similar working capital ratio expected in FY19
- FY18 cash tax increased due to higher profitability
- FY19 investment in core products for organic growth expected to be similar to FY18
- FY19 investment in transformational initiatives expected to be up ~\$1.5m

Core – investment in product development for organic growth. Transformational – internal digital transformation program, IMS Drill and Blast and CoreVIBE™ and MagHAMMER™ technologies.

Established Global Business

Operational Leverage



FY18 Market Overview

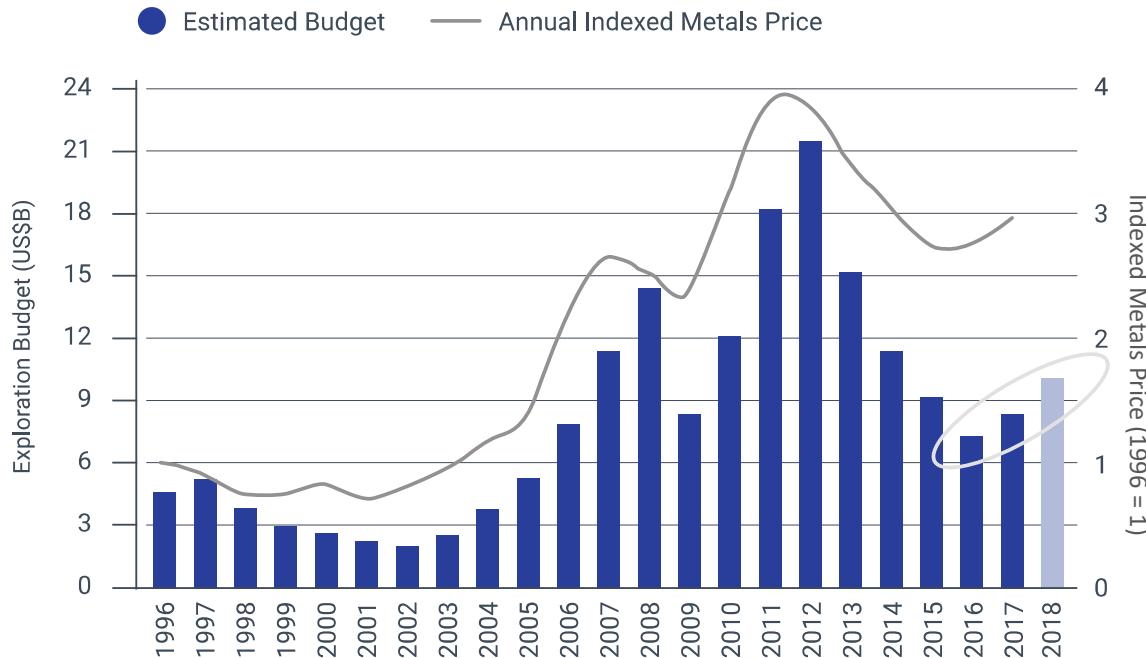
IMDEX Positioned for Sustainable Growth



World Mineral Exploration

Review and Outlook

WORLD MINERAL EXPLORATION

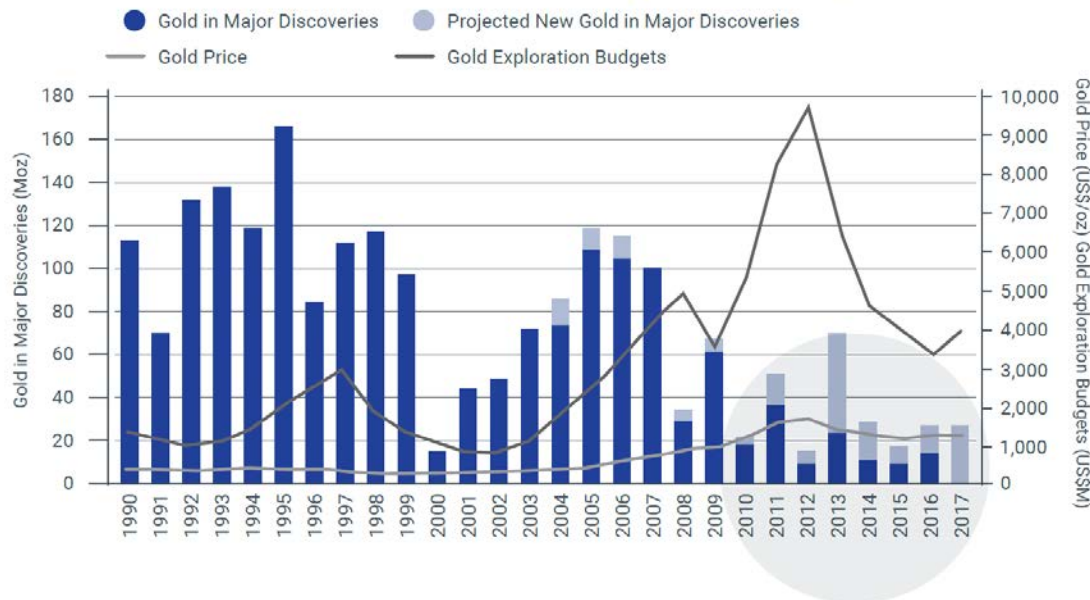


- 6 countries/regions attracted ~ 60% of spend
- Americas attracted >50% of expenditure, Asia/Pacific – 17.5%, Africa – 14%
- Gold/copper >70% of global expenditure. Gold/base metals >80%
- CY18 budgets forecast to increase by 15% – 20% to US\$10bn

Source: S&P Global Market Intelligence

Gold in Major Discoveries

1990 – 2017

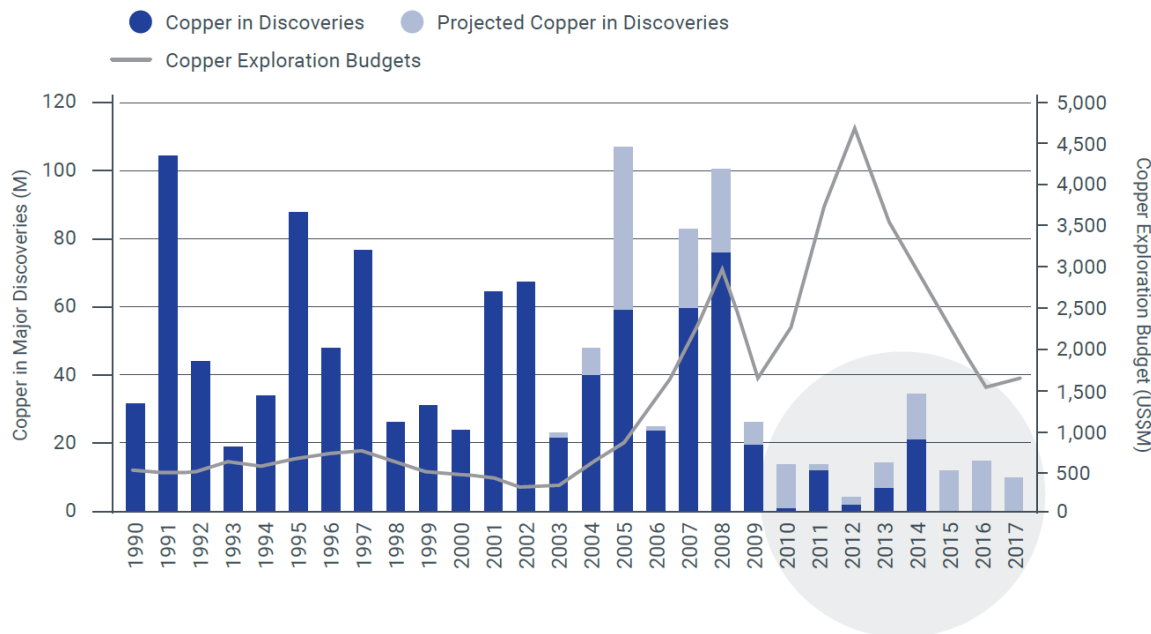


- **Easy deposits found**
- 1990 – 2007 US\$32.2b spent to yield 1,726m oz – 122 discoveries
- 2008 – 2017 US\$54.3b spent to yield 215.5m oz – 41 discoveries
- New mines – under groundcover, deeper, **more drilling**, more expensive and longer development times
- Mined gold ore grades 2005 – 2015 declined from 2.44g/t to 1.83g/t, trending lower

Source: S&P Global Market Intelligence – Data as of July 25 2018

Copper in Major Discoveries

1990 – 2017



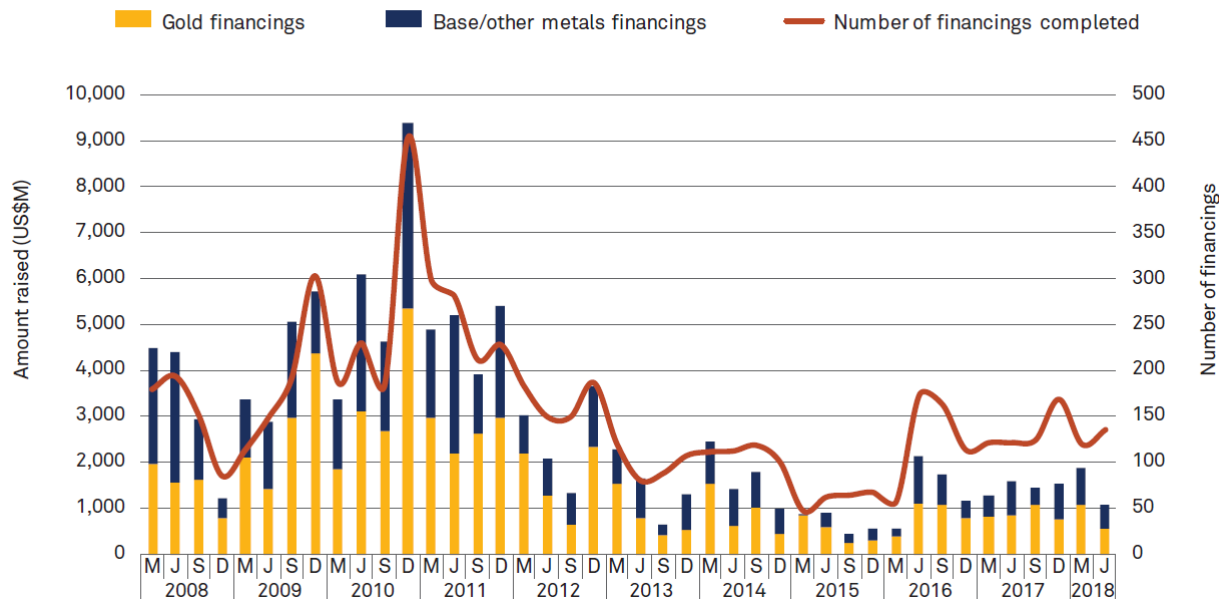
- 1990 – 2007 US\$12.4b spent – 191 discoveries
- 2008 – 2017 US\$26.6b spent – 29 discoveries
- Mined grades 2005 – 2017 declined (0.74% to 0.59%)
- Exploration more challenging and costly
- Size of mines increasing as low grade deposits are typically larger
- License to operate is an increasing challenge

Source: S&P Global Market Intelligence – Data as of July 25 2018

Significant Global Financings

Gold, base/other metals, number completed

Significant financings completed



Gold – June 18Q

- Fundraisings ↑ 13% qoq (120 - 136)
- Total raised ↓ 43% (US\$1.08b from US\$1.89b)
- Decline reflected large financings in the March 18Q

Base Metals – June 18Q

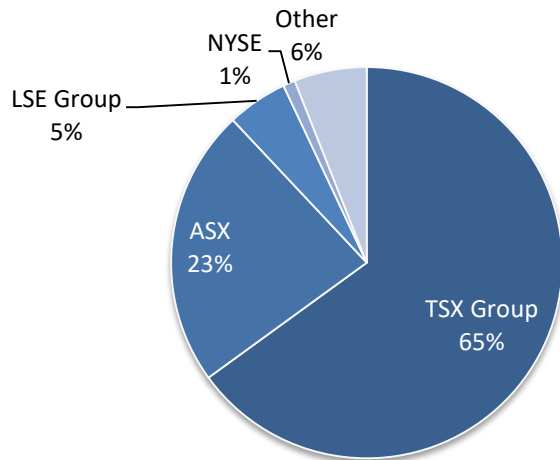
- Financings ↑ 39% qoq (46 – 64)

Source: S&P Global Market Intelligence – Data as of July 25 2018

Gold and Base/Other Metals

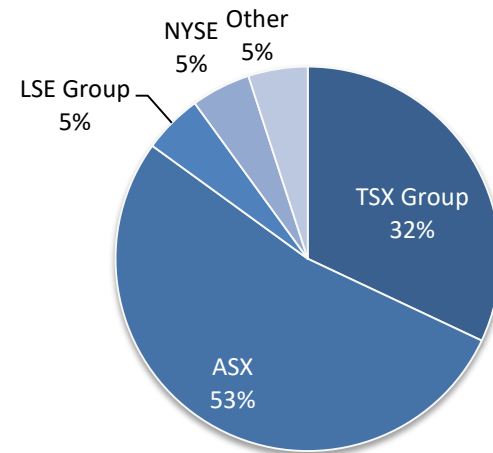
Significant financing by stock exchange June 18Q

Gold financings by stock exchange



72 raising US\$559m

Base/other metals financings by stock exchange

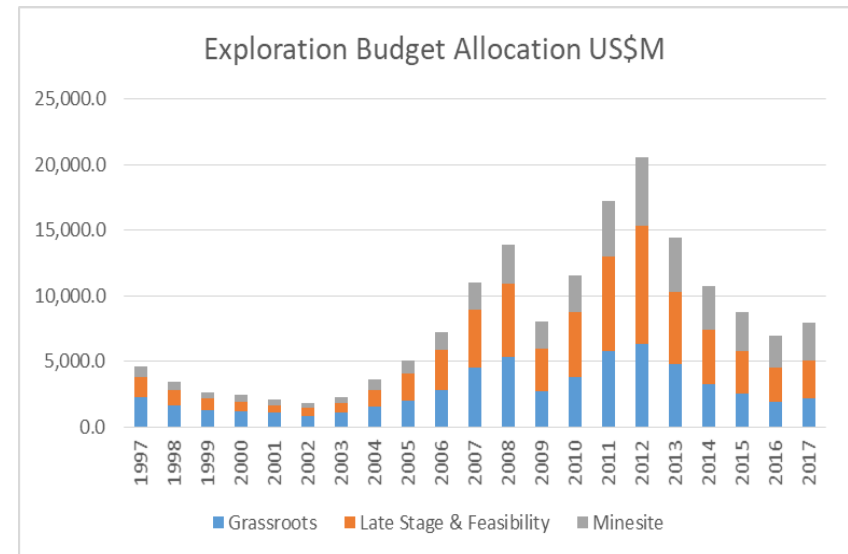
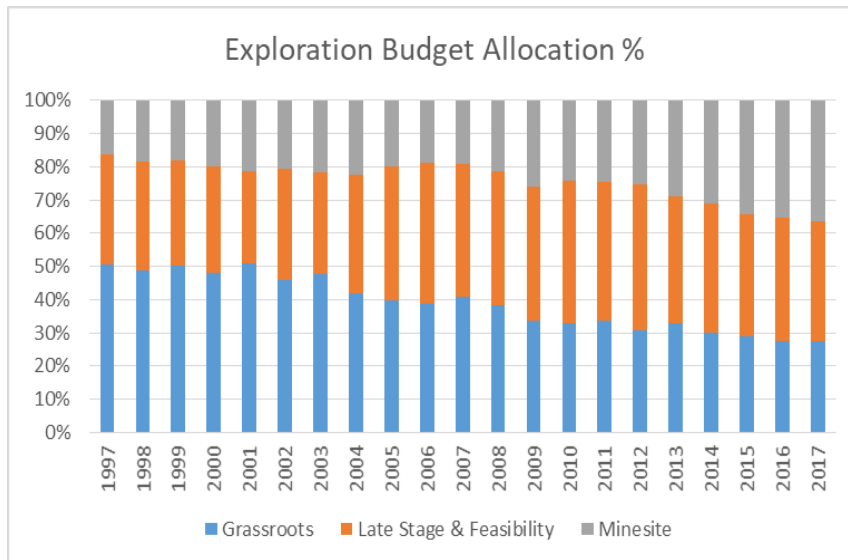


64 raising US\$518m

Source: S&P Global Market Intelligence – Data as of July 25 2018

Exploration Budget Allocation

Grassroots, late stage & feasibility, mine site



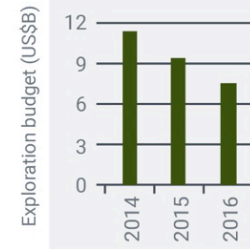
- Grassroots – declined from 50% in 1997 to <30% in 2017
- Mine site – increased from 17% to ~40% in same period

Source: S&P Global Market Intelligence – Data as of July 25 2018

REFLEX Instruments on Hire

(Number of units)

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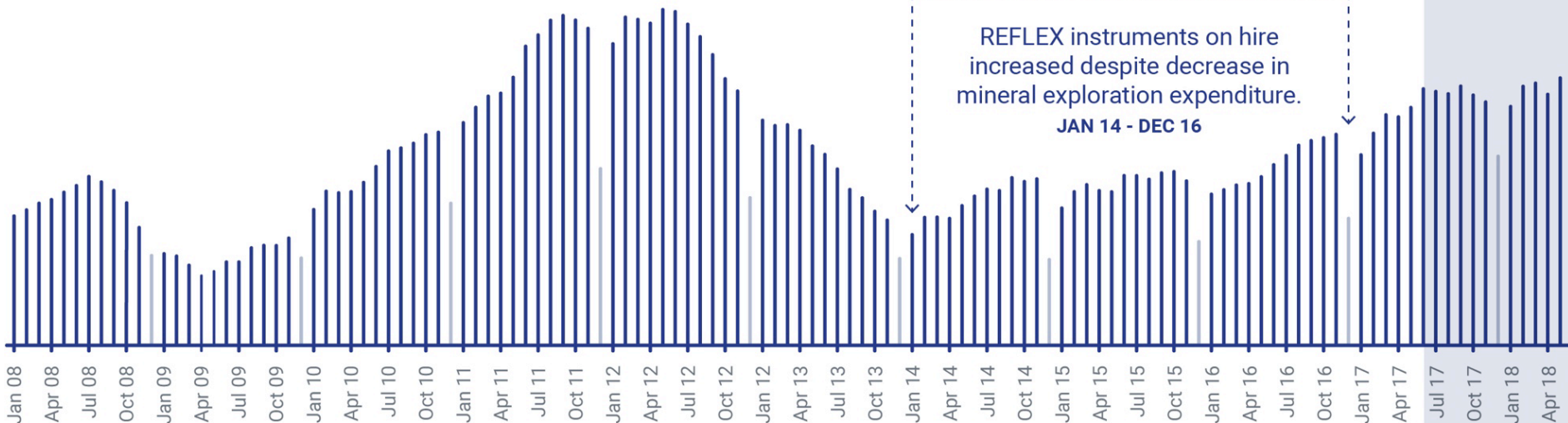
Seasonal Holiday
Shut-Down - DECEMBER

JUNE 17
JUNE 18

10%↑

REFLEX instruments on hire
increased despite decrease in
mineral exploration expenditure.

JAN 14 - DEC 16



Strong correlation between
increasing instrumentation
and activity



Rig utilisation rates and
driller rates indicate industry
cycle is in early stages

Quality of rental fleet is increasing.
New technologies provide
additional value for clients.

Summary of Strategy

Driving Sustainable Earnings Growth

Growth of core business
historically driven by:

- Cyclical upswing
- Introduction of new technologies

Repositioning to achieve
sustainable earnings growth via a
two-tiered growth strategy, which
includes **organic** and
transformational growth

Organic – protect and grow core
business

Transformational – extension into
new market segments within the
mining value chain:

- Drill and Blast
- Drilling Productivity

Key elements:

- Maintaining market leading technologies
- Enhancing client intimacy
- Driving operational excellence globally

Material Characterisation

Blast holes provide detailed view of in-situ resource



Characterise material pre-blast

Differentially load blast holes

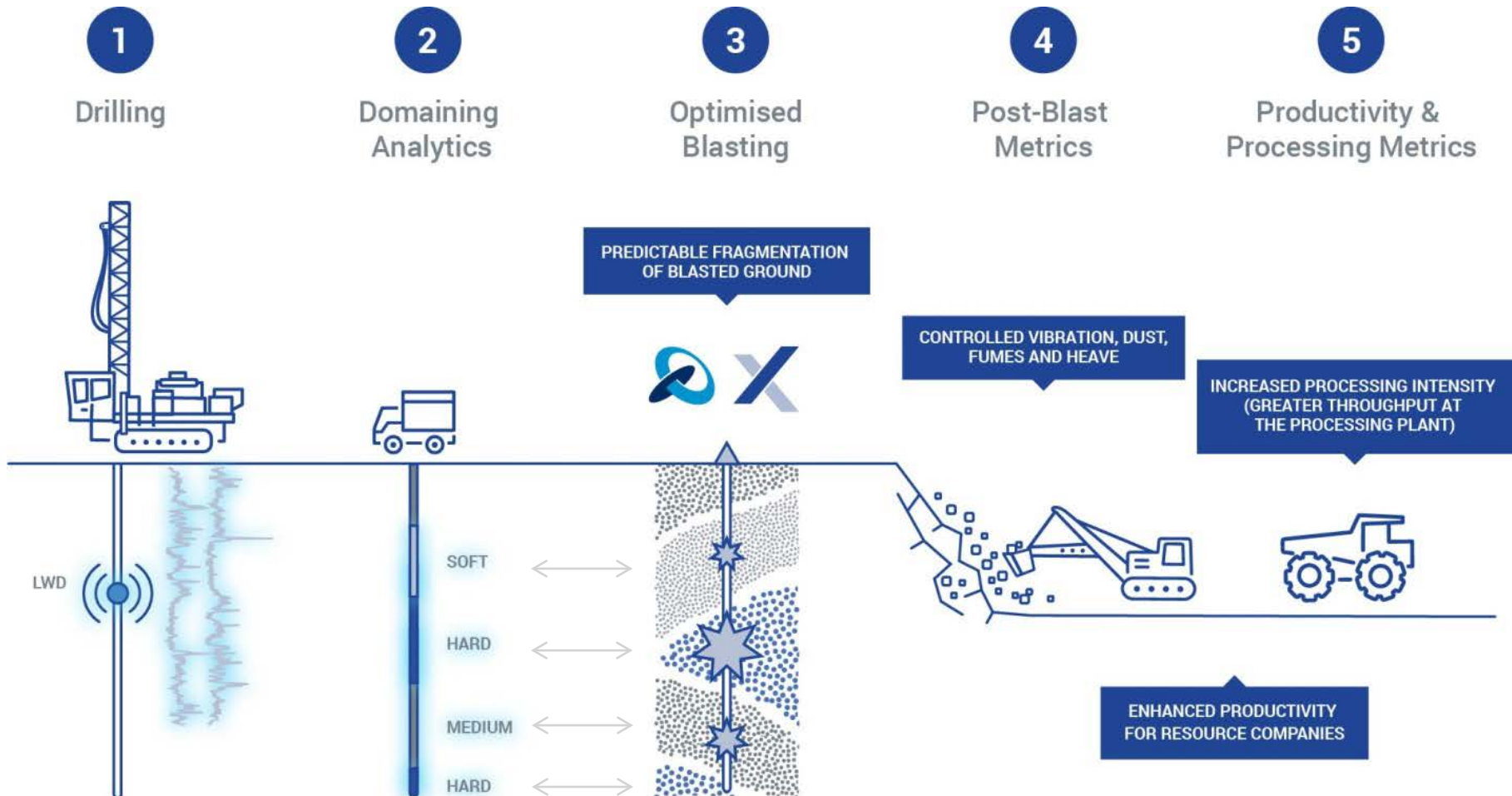
Increase processing intensity

Potential for significant additional global revenue, which is more sustainable throughout the cycle

Interest from METS Ignited and industry partners

Material Characterisation

Blast holes provide detailed view of in-situ resource



CoreVIBE™ & MagHAMMER™

Unique drilling productivity technologies

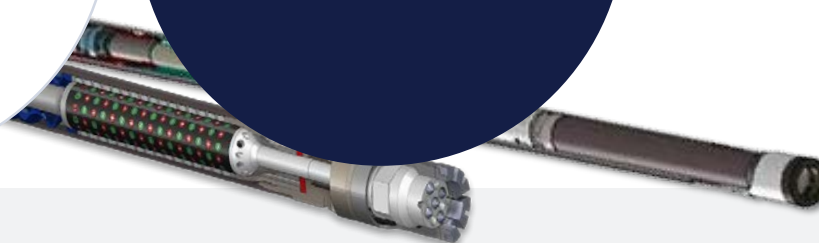
Option agreement
executed Jan 2018

Extensive testing
and due diligence
conducted pre-
signing – including
IP protection

The transaction
allows for further
testing and market
acceptance before
committing to
purchase

CoreVIBE™ and
MagHAMMER™
progressing towards
commercialisation

- Technologies are patent protected and align with IMDEX's rental model
- Technologies complement IMDEX's Drilling Optimisation solution and strengthen IMDEX's competitive position in this market segment
- If option is exercised:
 - Significant additional global revenue stream for IMDEX



Client benefits

TRADITIONAL DRILLING

 **67 SHIFTS**



Minimises hole deviation with
high penetration rates

Improves penetration rates

COREVIBE™

 **47 SHIFTS**

UP TO 30% PRODUCTIVITY IMPROVEMENT



Reduces tripping of
inner tube for blockages

Extends bit life

500m
1000m
1500m
2000m

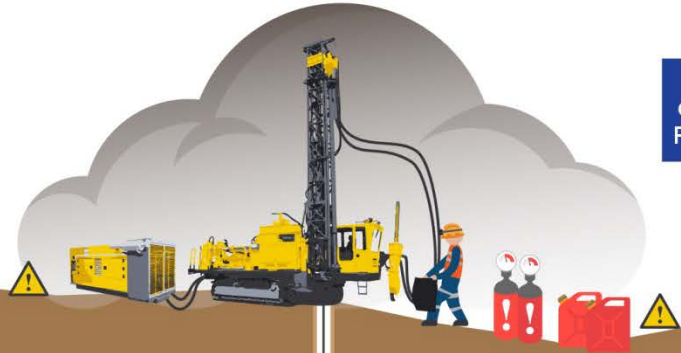
MagHAMMER™

Client benefits



TRADITIONAL RC DRILLING

AIR POWERED



MAGHAMMER™ ON DIAMOND DRILL RIG

WATER POWERED

Entire drill hole can be completed with one rig where RC & Diamond Drilling required

Significantly safer and zero dust generated

Drilling fluid can be recycled with AMC SRU™



Reduces costs for rig (mobilisation and demobilisation) and fuel

Penetration rates are not affected by water intrusion

Operates with any normal drilling fluid

Similar penetration rate as Reverse Circulation rig

Allows rapid drill case setting

Only limited in depth by pull back capacity of drill rig



Global Leader

Substantial Competitive Advantage



Summary & Outlook

- Positive FY18 – increased revenue by 24% and EBITDA by 35%
- REFLEX instruments on hire at 30 June 2018, 10% up on pcg
- Strong investment in FY18 – strategic positioning to achieve sustainable earnings growth for shareholders
- Robust balance sheet – ability to drive organic and transformational growth within the mining value chain
- Strong start to FY19 – activity levels have continued
- Cycle showing steady increase in activity underpinned by need to replace diminishing reserves
- IMDEX in a strong position to leverage improving market conditions, new technologies and unique competitive position

Appendices

Simple Scalable Structure

Leading Integrated IMDEX Solutions

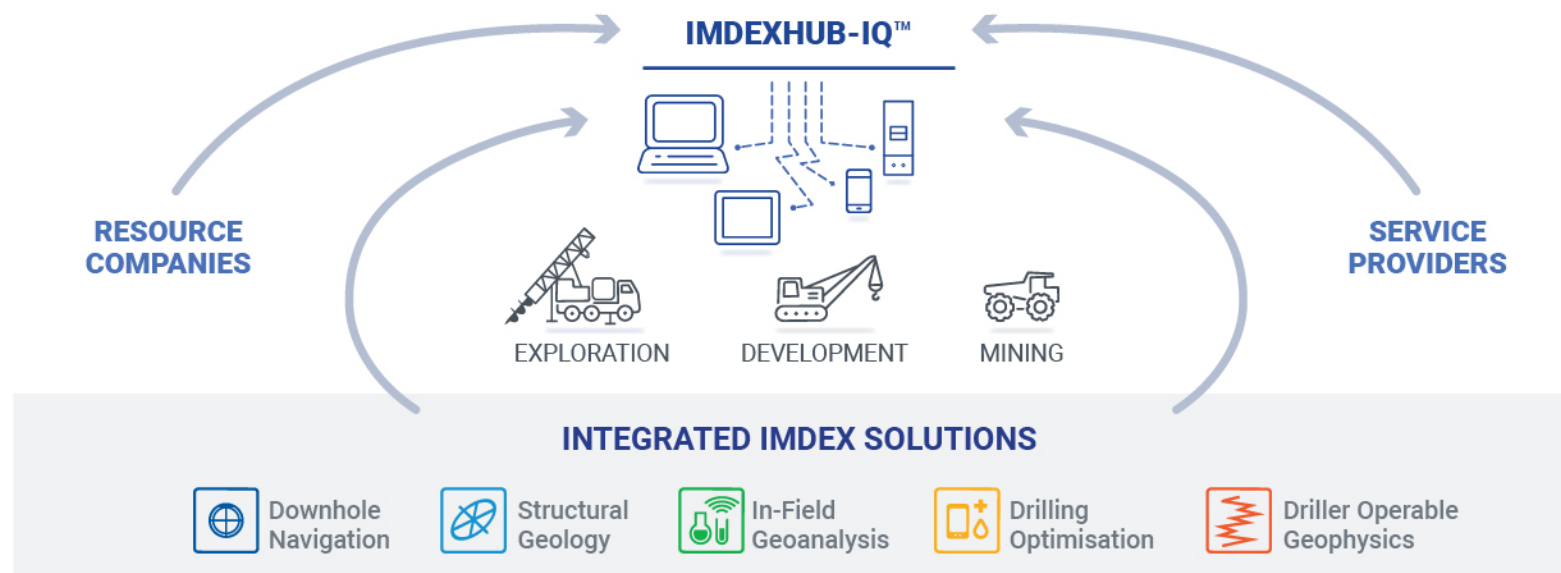


- Focused on integrated IMDEX solutions – comprising leading AMC and REFLEX brands
- AMC and REFLEX are dominant within minerals industry – strong market share

Leading Technologies

Integrated IMDEX Solutions

QUALITY DATA & CHAIN OF CUSTODY



STREAMLINE PROCESSES & TIMELY INFORMATION



Board of Directors

Professional expertise, business experience & technical knowledge



Mr Anthony Wooles BCom, MBA (Finance)

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



Mr Bernard Ridgeway B.Bus (ACCTG) ACA

- Managing Director
- Appointed to the Board 23 May 2000



Mr Kevin Dundo BCom, LLB

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



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

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



Mr Ivan Gustavino B.Bus

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

Company Snapshot

As at 30 June 2018

Corporate Information

ASX listed		IMD
Share price (30 June 2018)	\$	1.24
Issued shares	m	369.7
Market cap (30 June 2018)	\$m	458.4

Share Price



Share register Analysis of top 50 shareholders at 30 June 2018

Institutions	70.0%
Employees, directors & company related parties	2.68%
Corporate holders	0.01%
Private shareholders	6.38%
Brokers & banks	13.95%

Largest shareholders 30 June 2018

	Shares (m)	%
Fidelity Investments	35.6	9.34
Perennial Value Management	31.7	5.51
The Master Trust Bank of Japan	18.2	4.96
L1 Capital	17.4	4.72
Wilson Asset Management	15.4	4.19

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