

14 September 2018

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

Dear Sir/Madam

### **SIX MONTH EXTENSION TO EXCLUSIVE FLEXIDRILL OPTION AGREEMENT**

IMDEX Limited (ASX: IMD) ("IMDEX" or the "Company"), a leading mining equipment, technology and services (METS) provider to the global minerals industry, has extended its option exercise period to acquire New Zealand based companies Flexidrill Limited and Flexidrill Construction Limited (together "Flexidrill") and its patent protected technologies – the COREVIBE<sup>TM</sup> and MAGHAMMER<sup>TM</sup>.

The extension was based on IMDEX's ability to undertake controlled and externally verified testing at a site in New Zealand.

Commenting on the six-month extension, IMDEX's Managing Director Mr Bernie Ridgeway said:

"The original Option Agreement was structured to allow for further development and comprehensive testing of the COREVIBE<sup>TM</sup> and MAGHAMMER<sup>TM</sup>, before committing to the acquisition. It is prudent of us to leverage this risk-shared transaction structure.

"We recently secured access to a test site in New Zealand to enable controlled testing of the COREVIBE<sup>TM</sup> technology. SGS New Zealand (SGS) was appointed to provide third-party verification on these trials at the test site. SGS, in their interim report concluded that COREVIBE<sup>TM</sup> increased drilling productivity by 33%, which is in line with our expectations.

"Interest from drilling contractors and resource companies remains high for the COREVIBE<sup>TM</sup> and MAGHAMMER<sup>TM</sup> and we anticipate progressing these technologies to commercialisation.

"Should we choose to exercise our option, they are expected to provide additional global revenue and earnings from FY20."

#### **Background Information – Original Option Agreement**

IMDEX entered into an exclusive option and technology development agreement to acquire Flexidrill on 18 January 2018. This announcement, together with a summary of the acquisition terms and purchase price, can be reviewed at the following link:

[IMDEX ENTERS INTO OPTION WITH FLEXIDRILL TO ACQUIRE UNIQUE DRILLING PRODUCTIVITY TECHNOLOGIES](#)

#### **Extended Option Agreement**

IMDEX and Flexidrill have now extended the option exercise period and secondary option payment date for six months – from September 2018 to March 2019. The secondary option period has been extended for three months – from September 2019 to December 2019.

The extension is to allow an additional period of exclusivity in which to further develop and test the COREVIBE<sup>TM</sup> and MAGHAMMER<sup>TM</sup> technologies prior to making any additional option payments.

There is no other change or impact to the Option Agreement or Acquisition Terms and Purchase Price.

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