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ABN 78 008 947 813

19 October 2015

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

Dear Sir/Madam

### **Annual General Meeting - Notice of Meeting**

Please find attached a copy of the Notice of Meeting for the Annual General Meeting of the Company to be held at 12.00pm (WST) on 20 November 2015.

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



**ABN 78 008 947 813**

## **2015 Annual General Meeting**

### **Meeting Documents**

**Notice of Annual General Meeting & Explanatory Memorandum**

**Proxy Form for Annual General Meeting**

**Corporate Representative Certificate for Annual General Meeting**

**To be held on Friday, 20 November 2015 at  
216 Balcatta Road, Balcatta, Western Australia commencing  
at 12.00pm WST**



ABN 78 008 947 813

## NOTICE OF ANNUAL GENERAL MEETING

**Notice is given that the 2015 Annual General Meeting of Shareholders of Imdex Limited will be held at 216 Balcatta Road, Balcatta, Western Australia, on 20 November 2015 commencing at 12.00pm WST**

### Agenda

#### Ordinary Business

To receive and consider the Annual Financial Report, together with the Directors' and Auditor's reports for the year ended 30 June 2015.

- 1 To consider and, if thought fit, pass with or without amendment, the following Resolution as an Ordinary Resolution:

"That, for all purposes, Mr Ross Kelly, who retires from the office of Director at the end of the Meeting, and being eligible, offers himself for re-election, is re-elected as a Director".

- 2 To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

"That, for all purposes, Mr Ivan Gustavino, who was appointed to the Board of Directors on 3 July 2015 as an additional Director, and being eligible, offers himself for re-election, is re-elected as a Director".

- 3 To consider and, if thought fit, pass the following Resolution as an Advisory Resolution:

"That, for all purposes, the Directors' and Executives' Remuneration Report, included within the Directors' Report, for the year ended 30 June 2015 be approved".

*Voting Exclusion: Refer section 3 of the Explanatory Memorandum for details of the voting exclusions.*

- 4 To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, the allotment and issue of 32,400,000 fully paid ordinary shares at an issue price of \$0.20 per share to the Recipients, on the terms set out in the Explanatory Memorandum be ratified".

*Voting Exclusion: The Company will disregard any votes cast on Resolution 4 by the Recipients and any associate of such person. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*



## NOTICE OF ANNUAL GENERAL MEETING

- 5 To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“That, for the purpose of Exception 9 of Listing Rule 7.2 and sections 200B and 200E of the Corporations Act and for all other purposes, Shareholders approve the renewal of the amended Employee Rights Plan (**ERP**) established in 2009 (inclusive of the amendments outlined in the Explanatory Memorandum) and the grant of Rights from time to time under the ERP as an exception to Listing Rule 7.1 in accordance with the terms and conditions outlined in the Explanatory Memorandum”.

*Voting Exclusion: The Company will disregard any votes cast on Resolution 5 by or on behalf of any Director (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

- 6 To consider and, if thought fit, pass, the following Resolution as an Ordinary Resolution:

“That, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to grant Performance Rights under the ERP, each to acquire 1 ordinary fully paid share in the Company, to Mr Bernie Ridgeway, the Managing Director of the Company, on the terms set out in the accompanying Explanatory Memorandum”.

*Voting Exclusion: The Company will disregard any votes cast on Resolution 6 by any director of the Company who is eligible to participate in the ERP and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides. Refer section 6 of the Explanatory Memorandum for details of the voting exclusion.*

- 7 To consider and, if thought fit, pass the following Resolution as an Ordinary Resolution:

“That, for the purposes of ASX Listing Rule 10.17 and Article 17.8 of the Company's Constitution and for all other purposes, the maximum aggregate sum which Non-Executive Directors may be paid as fees for their services as Directors be set at \$700,000 per annum, to be divided as determined by the Directors”.

*Voting Exclusion: The Company will disregard any votes cast on Resolution 7 by Non-Executive Directors and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the direction on the proxy form, or it is cast by the person chairing the Meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

- 8 To consider any other business that may be brought before the Meeting in accordance with the Company's Constitution.

### **Explanatory Memorandum**

Shareholders are referred to the Explanatory Memorandum accompanying and forming part of this Notice of Annual General Meeting.

### **Snap Shot Time**

Regulation 7.11.37 of the Corporations Regulations 2001 permits the Company to specify a time, not more than 48 hours before the meeting, at which a “snap shot” of Shareholders will be taken for the purposes of determining Shareholder entitlements to vote at the Meeting. The Company's Directors have determined that all Shares of the Company as at 5.00pm WST, 18 November 2015 will, for the purposes of determining voting entitlements at the Annual General Meeting, be taken to be held by the persons registered as holding the Shares at that time.



## NOTICE OF ANNUAL GENERAL MEETING

### **Proxies**

Please note that:

- (a) a member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy;
- (b) a Proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each Proxy is appointed to exercise, but where the proportion or number is not specified, each Proxy may exercise half of the votes.

The enclosed Proxy Form for the Annual General Meeting provides further details on appointing Proxies and lodging the Proxy Form. Proxies must be returned by 12.00pm WST on 18 November 2015.

### **Corporate Representative**

If a representative of a Shareholder corporation is to attend the meeting the attached "Appointment of Corporate Representative" form should be completed and produced prior to admission.

By Order of the Board of Directors  
**Imdex Limited**

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

**Paul Evans**  
Company Secretary  
Dated: 9 October 2015

## **1 Purpose of this Document**

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This Explanatory Memorandum has been prepared to assist Shareholders with their consideration of the Resolutions in the accompanying Notice of Annual General Meeting.

## **2 Resolutions 1 and 2 – Re-election of Directors, Mr Ross Kelly and Mr Ivan Gustavino**

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In accordance with ASX Listing Rule 14.4 and Article 17 of the Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office and are eligible for re-election. The Directors to retire are to be those who have been longest in office since their appointment or last re-appointment or, if the Directors have been in office for an equal length of time and unless mutually agreed, by lot. Further, under clause 17 of the Constitution directors appointed shall hold office until the next annual general meeting of the Company following their appointment and no Director (except the Managing Director) may retain office for more than three years or until the third annual general meeting following the Director's appointment, whichever is the longer.

Mr Ross Kelly, a Director of the Company since 14 January 2004, seeks re-election for the purposes of clause 17 of the Constitution and for all other purposes pursuant to Resolution 1 of the Notice of Meeting. A record of Mr Kelly's attendance at Board meetings over the 12 month period to 30 June 2015 is set out in the 2015 Annual Report as are further details concerning his qualifications and experience.

The Directors (other than Mr Kelly) recommend that Shareholders vote in favour of Resolution 1 to re-elect Mr Kelly.

Mr Ivan Gustavino, who was appointed to the Board on 3 July 2015, seeks re-election as a Director pursuant to Resolution 2 of the Notice of Meeting. Further details concerning Mr Gustavino's qualifications and experience are set out in the 2015 Annual Report.

The Directors (other than Mr Gustavino) recommend that Shareholders vote in favour of Resolution 2 to re-elect Mr Gustavino.

## **3 Resolution 3 – Remuneration Report**

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Included in the Directors' Report contained within the 2015 Annual Report is a Remuneration Report that sets out the details of the remuneration of all Directors and the highest paid group executives. In addition, it describes the Board's remuneration policy.

The Board submits the Remuneration Report to Shareholders for their consideration and adoption by way of a non-binding resolution as required by the Corporations Act.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, shareholders will be required to vote at the second of those AGMs on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Directors (other than the Managing Director and CEO) must go up for re-election.

### **Voting Restrictions:**

The Company will disregard any votes cast on Resolution 3 by a member of the Key Management or a Closely Related Party of such a member. However, these persons may cast a vote on Resolution 3 if:

- (a) the person does so as a proxy;
- (b) the vote is not cast on behalf of a member of the Key Management or a Closely Related Party of such a member; and

- (c) either
  - (i) the person is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution: or
  - (ii) the proxy is the chair of the meeting and the appointment of the chair as proxy:
    - (A) does not specify the way the proxy is to vote on the resolution; and
    - (B) expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management.

The Company encourages all Shareholders to cast their vote in relation to Resolution 3 and, to the extent available, the Chairman will vote undirected proxies in accordance with the Chairman's stated voting intentions.

## **4 Resolution 4 – Ratification of issue of August Shares**

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### **Background**

Resolution 4 is an ordinary resolution and proposes to ratify the issue of the August Shares. The August Shares were issued to the Recipients on 28 August 2015 pursuant to the placement announced on 21 August 2015. The second tranche of the placement was withdrawn as announced to the ASX on 24 September 2015.

### **ASX Listing Rules 7.1 and 7.4**

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies a previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

Ratification by the Shareholders of the Company is now sought pursuant to ASX Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15% of its issued capital, if required, in the next 12 months without Shareholder approval.

The effect of this Resolution 4 is that the Company, for the purposes of Listing Rule 7.1 will be able to refresh its 15% placement capacity with effect from the date of the Meeting.

### **Technical Information required by Listing Rule 7.5**

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders in relation to the Shares the subject of Resolution 4:

- (a) the total number of Shares issued by the Company on 28 August 2015 was 32,400,000;
- (b) the issue price of each Share was \$0.20;
- (c) the August Shares have been issued on the same terms as, and will rank equally with, all fully paid ordinary shares in the Company on issue;
- (d) the August Shares will be, or have been allotted to the Recipients, being clients of Euroz who are sophisticated and professional investors;

- (e) no Tranche 1 Recipient is a related party of the Company;
- (f) the funds raised from the issue of the August Shares will be utilised by the Company to provide funding for general working capital; and
- (g) a voting exclusion statement is included in the Notice of Annual General Meeting.

The Directors recommend that Shareholders vote in favour of Resolution 4.

## **5 Resolution 5 – Renewal of Employee Rights Plan**

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In 2009, the Company adopted an Employee Rights Plan (**ERP**), which was approved by Shareholders at the FY09 AGM. This approval was then renewed by Shareholders at the FY12 AGM. That approval, given for the purposes of Listing Rule 7.2, is due to expire on 18 October 2015. The purpose of Resolution 5 is to renew that approval.

Pursuant to ASX Listing Rule 7.2 (Exception 9), Resolution 5 seeks Shareholder approval to the issue of securities of the Company under, and pursuant to, the rules of the ERP as an exception to Listing Rule 7.1 for a period of 3 years.

ASX Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12 month period without requiring shareholder approval. Listing Rule 7.2 provides certain exceptions to Listing Rule 7.1, allowing certain issues of securities to be excluded from the calculation of the number of securities issued during the 12 month period. Exception 9 of Listing Rule 7.2 provides that Listing Rule 7.1 does not apply to an issue under an employee incentive plan, if within three years before the date of issue. Shareholders have approved the issue of securities under the ERP as an exception to Listing Rule 7.1.

Resolution 5 proposes that Shareholders consider and renew approval of the ERP in accordance with ASX Listing Rule 7.2 (Exception 9), which would enable securities issued under the ERP over the next three years to be excluded from the calculation of the number of securities issued for the purposes of Listing Rule 7.1.

The Board last sought and obtained approval by holders of ordinary securities to the issue of securities under the ERP as an exception to ASX Listing Rule 7.1 at the FY12 AGM. Exception 9 of Listing Rule 7.2 requires certain information to be included in the notice of general meeting as follows:

- (a) the terms of the ERP have changed since it was approved by Shareholders at the FY12 AGM. A summary of the ERP is set out in Annexure A. Further, a copy of the ERP was released to ASX on or about the date of release of this Notice of Meeting and will be made available to any Shareholder upon request. These amendments have effect from the date of the Meeting and do not apply retrospectively to the commencement date of the ERP. Accordingly, the abovementioned changes to the ERP do not apply to those Rights issued prior to the date of the Meeting.
- (b) Since the date of last approval on 18 October 2012, 19,690,579 Performance Rights have been issued and a further 7,883,670 are subject to offer under the ERP to eligible participants. Of this total number (including those the subject of offer), 13,662,174 are outstanding.
- (c) Further, the Company intends, subject to Shareholder approval at this annual general meeting, to issue up to 1,558,468 Performance Rights as per Resolution 6 to a Director of the Company.

## Corporations Act

Pursuant to the terms of the ERP (see Annexure A for further details) where the recipient (**Qualifying Recipient**) ceases office or employment with the Company for a "Qualifying Reason" (as defined in the ERP), the Performance Rights granted to them may vest early, with the number of Performance Rights the Qualifying Recipient may be entitled to being calculated based on the proportion of the Performance Period that has elapsed as at the date of cessation of employment or office.

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with their ceasing to hold a managerial or executive office in the company or a related body corporate if the giving of the benefit is below a certain threshold, is approved by Shareholders or an exemption applies. Broadly, the threshold is prescribed in the Corporations Act as the average annual base salary of the recipient.

The accelerated vesting of Performance Rights under the terms of the PRP is considered a "benefit" (the value of that benefit being the **Acceleration Benefit**) for the purposes of section 200B. When combined with the Qualifying Recipient's existing termination benefits (**Existing Benefits**), the Acceleration Benefit may, in some circumstances, result in the total benefit payable exceeding the limit permitted under the Corporations Act without Shareholder approval.

To the extent that the value benefit of the accelerated vesting of these Performance Rights upon retirement from office or employment may be beyond the benefit permitted to be granted by the Company under sections 200B and 200E of the Corporations Act, and to the extent that shareholders have not already approved the giving of those benefits, shareholder approval is now sought under Resolution 5. Approval for the Acceleration Benefit will apply in relation to Performance Rights granted under the ERP up to the date Resolution 5 is passed and any future rights granted under the ERP.

## Value of benefit

The value of the Acceleration Benefit cannot be determined as at the date of this Explanatory Memorandum.

Matters, events and circumstances which are likely to affect the value of the Acceleration Benefit payable to a Qualifying Recipient include:

- (a) the number of Performance Rights held by the Qualifying Recipient prior to cessation of employment or office;
- (b) the proportion of the applicable performance period that has elapsed as at the date of cessation of employment or office; and
- (c) the Company's share price on the date of cessation of employment or office.

The Company would calculate the value of the Acceleration Benefit as being equal to the total value of the number of Performance Rights that vest, where the value of a vested Performance Right is determined as being equal to the closing market price of a share on ASX on the ASX trading day before the date of the calculation.

In accordance with Listing Rule 10.19 the termination benefits that are or may be payable to any officer of the Company will not together exceed 5% of the equity interests of the Company unless further Shareholder approval is obtained.

As the Directors may have an interest in the outcome of Resolution 5, they consider that it would not be appropriate to make a recommendation to Shareholders as to how to vote in relation to Resolution 5.

## 6 Resolution 6 – Issue of Performance Rights to Mr Ridgeway

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Pursuant to Resolution 6, the Company is seeking Shareholder approval for the grant of Performance Rights (each to acquire one ordinary fully paid share in the Company) to the Managing Director, Mr Bernie Ridgeway.

The purpose of the grant of Performance Rights is to provide Mr Ridgeway, as the Managing Director, with a long term incentive to participate in Imdex's growth that is directly aligned with the creation of shareholder value.

A Performance Right entitles the holder to receive one Share in Imdex for no consideration provided that **Performance Measures** (set out below) are met.

The number of Performance Rights to be granted to Mr Ridgeway has been calculated using the following formula:

$$\text{NPR} = (50\% \times \text{TBR}) \div \text{VWAP Price}$$

where:

*NPR* = Number of Performance Rights to be granted.

*TBR* = Total Base Remuneration for Mr Ridgeway at the time the NPR calculation is made.

*VWAP Price* = the volume weighted average price of the Company's Shares traded on ASX during the five trading days immediately preceding 1 July 2015, being \$0.297

The calculation of the NPR, being the number of Performance Rights to be granted to Mr Ridgeway, is:

$$(925,730 \times 50\%) \div 0.297 = 1,558,468 \text{ Performance Rights}$$

No amount will be payable by Mr Ridgeway to acquire the Performance Rights or upon the exercise of the Performance Rights.

The performance of Imdex will be measured against a **Peer Group** consisting of the ASX Resources Index (Energy and Metals & Mining Sectors) relative to 3-year Performance Measures which are:

- Relative Earnings Per Share (EPS) – The portion of the Company's net profit after tax allocated to each share on issue compared to the Peer Group. Earnings per share serves as an indicator of a company's profitability.
- Relative Total Shareholder Return (TSR) – A measure of the performance of Imdex shares over time compared to the Peer Group. Total Shareholder Return combines share price appreciation and dividends paid to show the total return to the shareholder expressed as an annualized percentage.

Exercise of the Performance Rights at the end of the 3-year period (30 June 2018) will commence when the Company's Performance (as calculated by the Performance Measures) is at 50% and above of the Peer Group performance. At 50%, the allocation will be 33% of the total entitlement. This entitlement increases on a linear scale and achieves 100% entitlement when the Company's Performance is at the 90th percentile against the Peer Group.

The Company will determine the performance of Imdex against the Performance Measures over the **Performance Period** (being from 1 July 2015 to 30 June 2018) and determine whether, and to what extent, the Performance Measures have been met in or about September 2018 and the number of fully paid ordinary shares into which the Performance Rights, in aggregate, may be exercised at the end of the Performance Period will be determined by reference to the entitlement scale explained above.

If the Performance Measures have been met, fully paid ordinary shares in the Company, ranking equally in all respects with existing ordinary shares will be issued.

Directors will retain discretion to apply a different Peer Group if the selected group ceases to be appropriate.

Further, no Performance Rights will become exercisable if the Performance Measures have not been met or if the Performance Measures for Imdex is negative.

### **Terms and Conditions of Performance Rights to be issued to Mr Ridgeway:**

Shareholder approval for the establishment of the ERP was obtained for the purposes of ASX Listing Rule 7.2 exception 9 at the FY09 AGM and was renewed at the FY12 AGM. The ERP has recently been amended and the renewal is the subject of Resolution 5. A summary of the general terms and conditions of the Performance Rights issued under the ERP is set out in Annexure A. Additionally, for the purposes of Item 5 of Annexure A, the Performance Rights will be granted to Mr Ridgeway with the following additional terms:

- (a) The Performance Rights will be exercisable by the holder upon achievement of the Performance Measures (in the proportion determined pursuant to the scale entitlement formula set out above), provided that Mr Ridgeway is employed by or on behalf of the Company at the time the Performance Rights are exercised or he may exercise the Performance Rights or part thereof within three calendar months of ceasing such employment; and
- (b) Mr Ridgeway as the holder of the Performance Rights (and subject to the Performance Measures having first been satisfied and only in the proportion determined pursuant to the scale entitlement formula set out above) may exercise all of the Performance Rights granted to him after the date of issue of the Performance Rights and such portion of the Performance Rights that do not meet the Performance Measures shall expire immediately after the determination has been made pursuant to the scale entitlement formula specified above and the balance, if not exercised, will expire on the fifth anniversary of their issue.

### **Requirements of the ASX Listing Rules:**

ASX Listing Rule 10.14 provides that a listed entity must not issue equity securities under the ERP to a related party without Shareholder approval. The proposed grant of Performance Rights to Mr Ridgeway requires approval by Shareholders under the ASX Listing Rules.

As the issue will be made under the ERP (approved by Shareholders pursuant to ASX Listing Rule 7.2 at the FY09 AGM, renewed at the FY12 AGM and further renewed at this Meeting subject to the passing of Resolution 5), approval is not required under ASX Listing Rule 7.1 (which limits the number of equity securities the Company may issue within a 12 month period to not more than 15% of the total number of ordinary securities on issue without the requirement for Shareholder approval).

### **Corporations Act:**

The Company has formed the view that shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in relation to the issue of Performance Rights to Mr Ridgeway. Chapter 2E prohibits the giving of a financial benefit to a related party of a public company, unless the financial benefit has been approved by shareholders, or the giving of that benefit falls within an exception set out in Chapter 2E. Section 211 provides an exception for a benefit that comprises remuneration to an officer of a public company where such remuneration is reasonable in the circumstances of the company and that officer's particular circumstances (i.e. having regard to the responsibilities of or involved in such office). Accordingly, the Company considers that the exception in section 211 of the Corporations Act applies to the proposed issue of Performance Rights to Mr Ridgeway.

## **Specific Disclosure of Information as Required by the ASX Listing Rules:**

For the purposes of ASX Listing Rule 10.14 and 10.15A, the following information is provided:

- (a) The number of Performance Rights to be granted to Mr Ridgeway is 1,558,468 and the number of fully paid ordinary shares into which those Performance Rights, in aggregate, may be exercised at the end of the Performance Period will be determined by reference to the entitlement scale explained above (with a maximum entitlement equal to the total number of Performance Rights granted).
- (b) No amount will be payable by Mr Ridgeway to acquire the Performance Rights or upon the exercise of the Performance Rights.
- (c) Mr Ridgeway is the only Director (or person referred to in ASX Listing Rule 10.14) presently entitled to participate in the ERP.
- (d) Subject to the approval of this Resolution 6, the issue of the Performance Rights referred to in this Resolution will be issued in or about November 2015 (but in any event no later than the date that is 3 years after the date of this meeting).
- (e) Details of any Performance Rights issued under the ERP will be published in each annual report of the Company relating to the period in which the Performance Rights were issued and, where applicable, it will be noted that approval for the issue of the Performance Rights was obtained under ASX Listing Rule 10.14.
- (f) Any additional persons (being related parties of the Company or persons referred to in ASX Listing Rule 10.14) who become entitled to participate in the ERP after this Resolution was approved and who are not named in this notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14.
- (g) No loan will be provided to Mr Ridgeway by the Company in connection with the issue of the Performance Rights.
- (h) Since the last approval of the ERP on 18 October 2012, the only Director (or person referred to under ASX Listing Rule 10.14) who has previously received securities under the ERP is Mr Ridgeway. 264,818 Performance Rights were issued to Mr Ridgeway for nil consideration following approval at the FY12 AGM, the Company will determine whether, and to what extent the Performance Measures to those Performance Rights have been satisfied in or about October 2015. 300,000 Performance Rights were issued to Mr Ridgeway for nil consideration following approval at the FY13 AGM and 723,226 Performance Rights were issued to Mr Ridgeway for nil consideration following approval at the FY14 AGM. The satisfaction or otherwise of the Performance Measures applicable to the Performance Rights issued to Mr Ridgeway following approval at the FY13 AGM and FY14 AGM will not be known until September 2016 and September 2017 respectively.

## **Recommendation:**

The Board (excluding Mr Ridgeway) recommends that shareholders vote in favour of the approval of the grant of performance rights to the Managing Director pursuant to Resolution 6.

## **Voting Restrictions:**

The Company will disregard any votes cast on this Resolution 6 by Mr Ridgeway or his associates. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) it is cast by the Chairperson of the meeting as proxy for a person who is entitled to vote as the proxy decides.

As Resolution 6 is a resolution connected directly or indirectly with the remuneration of a member of the Key Management, pursuant to section 250BD of the Corporations Act, a vote on Resolution 6 must not be cast by:

- (c) any member of the Key Management for the Company; or
- (d) a Closely Related Party of a member of the Key Management, who is appointed as a Shareholder's proxy, on the basis of that appointment, where the Shareholder does not specify in writing the way the proxy is to vote on the resolution.

However, the Company need not disregard a vote if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, where the Shareholder does not specify in writing the way the proxy is to vote on the resolution, if the appointment of the proxy expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management.

## 7 Resolution 7 – Increase to Non-Executive Directors' Fees

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Resolution 7 seeks the approval of members to establish a maximum amount of remuneration to be paid to Non-Executive Directors. Resolution 7 seeks to establish this maximum at \$700,000 in aggregate.

ASX Listing Rule 10.17 and Article 17.8 of the Constitution require that Shareholder approval is obtained to establish the maximum amount of remuneration payable to Non-Executive Directors and that the notice of meeting contain the amount of the maximum sum payable to Non-Executive Directors. In accordance with the Constitution the Board may determine the proportions in which the remuneration, up to the maximum amount, is to be divided between the Non-Executive Directors for remuneration for their services as directors.

Previously, in 2006, Shareholders approved the maximum aggregate amount to be paid to Non-Executive Directors as \$500,000. An increase to \$700,000 will allow for inflationary increases as well as any additional Board members who may be appointed. Although it is unlikely that the Board would fully utilise the maximum amount permitted of \$700,000, the maximum amount will enable the Board to appoint and remunerate appropriately qualified persons to the Board as and when required.

For the purposes of ASX Listing Rule 10.17, the Company confirms that no securities have been issued to Non-Executive Directors in the past three years under ASX Listing Rule 10.11 or 10.14.

## 8 Glossary

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In this Explanatory Memorandum, the following terms have the following meanings unless the context otherwise requires:

<b>AGM</b>	means an annual general meeting of the Company.
<b>ASIC</b>	means the Australian Securities & Investments Commission.
<b>ASX</b>	means the Australian Securities Exchange operated by ASX Limited ABN 98 008 624 691.
<b>August Shares</b>	means 32,400,000 Shares at an issue price of \$0.20 each, issued to the Recipients.
<b>Board</b>	means the Board of Directors.
<b>Closely Related Party</b>	(as defined in the Corporations Act) of a member of the Key Management means: <ul style="list-style-type: none"> <li>(a) a spouse or child of the member; or</li> <li>(b) a child of the member's spouse; or</li> <li>(c) a dependant of the member or the member's spouse; or</li> </ul>



## EXPLANATORY MEMORANDUM

(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the entity; or

(e) a company the member controls; or

(f) a person prescribed by regulation under the Corporation Act for the purposes of the definition of closely related party under the Corporations Act

<b>Company or Imdex</b>	means Imdex Limited ABN 78 008 947 813.
<b>Constitution</b>	means the Constitution of the Company.
<b>Corporations Act</b>	means the Corporations Act 2001 (Cth).
<b>Director</b>	means a Director of the Company.
<b>ERP</b>	means the Imdex Limited Employee Rights Plan.
<b>FY09 AGM</b>	means the annual general meeting of the Company held on 15 October 2009.
<b>FY10 AGM</b>	means annual general meeting of the Company held on 14 October 2010.
<b>FY11 AGM</b>	means the annual general meeting of the Company held on 20 October 2011.
<b>FY12 AGM</b>	means the annual general meeting of the Company held on 18 October 2012.
<b>FY13 AGM</b>	means the annual general meeting of the Company held on 17 October 2013.
<b>FY14 AGM</b>	means the annual general meeting of the Company held on 16 October 2014.
<b>FY15 AGM</b>	means the annual general meeting of the Company to be held at 12.00 pm WST on 20 November 2015, the subject of this notice of meeting.
<b>Group</b>	means Imdex and each body corporate that is a subsidiary of Imdex under Division 6 of Part 1.2 of the Corporations Act.
<b>Key Management</b>	means the key management personnel of the Company being the Directors of the Company and those other persons having authority for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report the subject of Resolution 4 identifies the Company's key management personnel for the financial year ended 30 June 2015.
<b>Meeting</b>	means the FY15 AGM.
<b>Performance Right</b>	means a performance right issued to employees of the Company pursuant to the ERP.
<b>Recipients</b>	means the recipients of August Shares, being the clients of Euroz who are sophisticated and professional investors.
<b>Right</b>	means a right to acquire a Share at the discretion of the Board, subject to satisfaction of Performance Criteria and compliance with the applicable exercise procedure, granted to a Participant under the ERP on the terms and conditions determined by the Board.
<b>Share</b>	means a fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	means a holder of a Share.
<b>WST</b>	means Australian Western Standard Time.

## Annexure A: Resolutions 5 and 6

### Summary of the Terms of the Employee Rights Plan

1. Under the ERP the Directors may offer to grant Rights to any executive Director, company secretary or full-time or part-time or casual employee or contractor of the Company (or a member of the Group) or a controlled entity at the Board's discretion or a person whom the Board determines is eligible to receive grants of Rights (**Eligible Person**). The Board will have regard to the Eligible Person's length of service, potential contribution to the growth and profitability of the Company or an associated company and any other matter which the Directors consider relevant.
2.
  - (a) Under the ERP, the Directors shall not offer or issue any Rights to any Eligible Person in accordance with the ERP if the number of Shares to be received on the exercise of the Rights, when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period, pursuant to an employee equity scheme of Imdex, exceeds five (5) per cent of the total number of issued Shares in the Company as at the time of the offer.
  - (b) In calculating the number of Shares which may be the subject of a grant of Rights pursuant to Item 2(a), any offer made, or option acquired or share issued by way of or as a result of:
    - i) an offer to a person situated at the time of receipt of the offer outside Australia; or
    - ii) an offer that did not need disclosure to investors because of section 708 of the Corporations Act,may (together with any securities that can be disregarded in accordance with ASIC Class Order 14/1000 or otherwise) be disregarded.
3. Following receipt of the offer, an Eligible Person or an associate of an Eligible Person may apply for Rights up to the number specified in the offer. No consideration is payable by an Eligible Person to the Company in respect of the grant of a Right.
4. Rights may not be offered to an executive Director or his or her associates without prior Shareholder approval.
5. The Board will set performance criteria to be met before the Rights may be exercised (**Performance Criteria**).
6. The exercise price (if any) payable on the exercise of a Right shall be determined by the Board, in its absolute discretion at the time of offering the Rights.
7. The exercise period of each Right shall be determined by the Board in its absolute discretion (**Exercise Period**). However, Rights will only be able to be exercised if the Performance Criteria set by the Board in respect of a Right have been met within the performance period set by the Board (**Expiry Date**).
8. Notwithstanding item 7, the Board, in their discretion, may declare all Rights to be free of any restrictions on exercise if the Board are of the opinion that a specified Event has occurred. An Event occurs when:
  - (a) a takeover bid is made to the holders of Shares;
  - (b) a statement is lodged with the ASX to the effect that a person has become entitled to not less than 50% of the Shares;
  - (c) pursuant to an application made to the court, the court orders a meeting to be held in relation to a proposed compromise or arrangement for the purpose of or in connection with a scheme for the reconstruction of Imdex or its amalgamation with any other companies;



## EXPLANATORY MEMORANDUM

- (d) Imdex passes a resolution for voluntary winding up; or
  - (e) an order is made for the compulsory winding up of Imdex.
9. Notwithstanding item 7, Rights may expire prior to the Expiry Date in the following circumstances:
- (a) the cessation of the Participant's employment which is not due to:
    - i) the death, Total and Permanent Disability, Retirement or redundancy of the Participant as determined by the Board in its absolute discretion;
    - ii) the Participant ceasing to be employed by a company within the Group as a result of a company ceasing to be a member of the Group, or a company in the Group selling a business it conducts to someone other than to another company in the Group; or
    - iii) any other reason as determined by the Board in its absolute discretioneach of which in (i) to (iii) above are a "Qualifying Person".
  - (b) the transfer or purported transfer of the Right without the Board's prior written consent (where such transfer is otherwise not permitted by the terms of the Right);
  - (c) a determination of the Board that the Participant has acted fraudulently, dishonestly or in breach of the Participants obligations to Imdex or any company in the Group and the Right is to be forfeited; and
  - (d) the Participant notifying Imdex that the Participant wishes the Right to lapse.
10. If the cessation of the Participant's employment or office is due to a Qualifying Reason the number of Rights that vest or lapse will be calculated as follows:
- (a) if less than six months of the Performance Period relating to those Rights has elapsed at the date of cessation, all of the Rights will lapse; and
  - (b) if six months or more of the Performance Period relating to those Rights has elapsed at the date of cessation as an Employee, the number of Rights the holder will be entitled to have tested against the Performance Criteria at the end of the Performance Period will be calculated on the following basis:

### **Step 1**

Calculate the number of days from the beginning of the Performance Period up to and including the date of cessation;

### **Step 2**

Divide the result from Step 1 by the number of days in the Performance Period;

### **Step 3**

Multiply the number of unvested Rights by the result from Step 2.

The number of unvested Rights that will not be subject to testing in accordance with the formula above will lapse immediately on cessation. Unless the Board determines otherwise any Rights that vest under the applicable clause will have an Exercise Period of 90 days, and any of these vested rights which are not exercised within the specified Exercise Period will immediately lapse.

11. All Shares issued upon the exercise of Rights will, upon allotment, rank pari passu with all existing Shares in the capital of the Company. If the Shares are quoted, the Company will apply for quotation by ASX of all Shares allotted pursuant to the exercise of Rights. However, the Company will not apply for official quotation by ASX of the Rights.
12. A Right may only be transferred in accordance with its terms of issue or otherwise with the prior written consent of the Board.
13. In the event of any reconstruction (including a consolidation, subdivision, reduction or return) of the issued capital of the Company, then the number of Rights to which each holder of Rights is entitled or the exercise price of the Rights or both will be reconstructed in the manner required by the ASX Listing Rules and as otherwise set out in the ERP.
14. A Right does not entitle a participant to participate in new issues of securities to holders of Shares, unless the Right has been exercised and a Share has been issued or transferred to the Participant in respect of that Right, before the record date for determining entitlements to securities under the new issue.
15. If the Company makes a bonus issue, the number of Shares over which a Right is exercisable will be increased by the number of Shares which the holder of the Right would have received if the Right had been exercised before the record date for the bonus issue. The exercise price will not change.
16. If the Company makes a rights issue, the number of Shares over which a Right is exercisable will not be increased by the number of Shares which the holder of the Right would have received if the Right had been exercised before the record date for the rights issue. The exercise price will also not change.
17. Any notice of exercise of a Right received by the Company will be deemed to be a notice of the exercise of the Right on the first business day after the date of receipt of the notice.
18. Shares provided to a Participant on the exercise of Rights will be held on trust for that Participant by the Trustee for the duration of the restriction period (as determined by the Board) in accordance with the terms of the ERP and the trust deed established for the purposes of the ERP.
19. The Directors may alter, delete or add to the provisions of the ERP without obtaining the consent of Shareholders of the Company provided such alterations or deletions are consistent with the ASX Listing Rules.
20. The rules of the ERP shall be construed in accordance with the laws of Western Australia and each Right holder submits to the exclusive jurisdiction of the Courts of Western Australia.

A copy of the ERP was released to the ASX on or about the date of release of this Notice of Meeting; or a copy will be sent free of charge to any Shareholder on request.

Company or Trust in which Securityholding is held

IMDEX LIMITED

Registered  
Name(s)

Registered  
Address

Update your information:



Online:

www.investorcentre.com/contact



By Mail:

Computershare Investor Services Pty Limited  
GPO Box 2975 Melbourne  
Victoria 3001 Australia

Enquiries:

(within Australia) 1300 850 505  
(international) +61 3 9415 4000

Holder Identification Number (HIN) or  
Securityholder Reference Number (SRN)

Use a black pen.  
Print in CAPITAL letters.

A, B, C

1, 2, 3

Where a choice is required,  
mark the box with an 'X'

X

Appointment of Corporate Representative

**A** Appointment of Corporate Representative

The abovenamed registered holder hereby appoints:

to act as its representative at:

the meeting of the above named company to be held on:

Day Month Year

/ /

OR

all meetings of the above named company.

Please state if there are any restrictions on the representative's power:

Yes

No

If yes, please describe these restrictions

Contact name

Telephone Number - Business Hours / After Hours

**B** Sign Here - This section must be signed for your instructions to be executed.

I/We authorise you to act in accordance with the instructions set out above. We acknowledge that these instructions supersede and have priority over all previous instructions.

Director/Sole Director and Sole Company Secretary

Director/Company Secretary

Sole Director (No Company Secretary) \*

Day Month Year

/ /

\* By signing here I, ..... (Name in full)

warrant that, pursuant to the Corporations Act, the company does not have a Company Secretary and that as the Sole Director I am authorised by the company to complete this form.

# How to complete this form

## A Appointment of Corporate Representative

Enter the name of the person you wish to appoint as a corporate representative.

Indicate whether this appointment is for one specific meeting or all future meetings. If it is only for one specific meeting, enter the date of that meeting.

State if there are any restrictions to the representative's power and, if so, describe these.

Please provide your contact details in case we need to speak to you about this form.

## B Signature(s)

You must sign this form as follows in the spaces provided:

Companies:                      this form must be signed by either 2 Directors or a Director and a Company Secretary. Alternatively, where the company has a Sole Director and, pursuant to the Corporations Act, there is no Company Secretary, or where the Sole Director is also the Sole Company Secretary, that Director may sign alone. Delete titles as applicable.

## Lodge your vote:



### Online:

[www.investorvote.com.au](http://www.investorvote.com.au)



### By Mail:

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

### For all enquiries call:

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

000001 000 IMD  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Proxy Form

XX



### Vote and view the annual report online

- Go to [www.investorvote.com.au](http://www.investorvote.com.au) or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

### Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I999999999

PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.



**For your vote to be effective it must be received by 12:00pm (WST) Wednesday, 18 November 2015**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions for Postal Forms

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,  
or turn over to complete the form** ➔

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

## Proxy Form

Please mark ☒ to indicate your directions

### STEP 1

### Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Imdex Limited hereby appoint



the Chairman  
of the Meeting **OR**



**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Imdex Limited to be held at 216 Balcatta Road, Balcatta, Western Australia on Friday, 20 November 2015 at 12:00pm (WST) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 3, 5, 6 and 7 (except where I/we have indicated a different voting intention below) even though Resolutions 3, 5, 6 and 7 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 3, 5, 6 and 7 by marking the appropriate box in step 2 below.

### STEP 2

### Items of Business



**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Re-election of Director, Mr Ross Kelly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director, Mr Ivan Gustavino	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Ratification of Issue of August Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Renewal of Employee Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Performance Rights to Mr Bernie Ridgeway	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Increase to Non-Executive Directors' Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

### SIGN

### Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

\_\_\_\_\_

Contact  
Daytime  
Telephone

\_\_\_\_\_

Date / /

IMD

205036A

Computershare +