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216 Balcatta Road, Balcatta Western Australia 6021

PO Box 1262, Osborne Park Western Australia 6916

Tel: +61 (0) 8 9445 4020 Fax: +61 (0) 8 9445 4042 imdex@imdexlimited.com www.imdexlimited.com ABN 78 008 947 813

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

Dear Sir/Madam

FAVOURABLE PATENT INFRINGEMENT DECISION AND INDEMNITY COSTS AWARD

Please find attached an announcement in relation to the above mentioned subject for release to the market.

Yours faithfully **Imdex Limited**

Paul Evans

Company Secretary





FAVOURABLE PATENT INFRINGEMENT DECISION AND INDEMNITY COSTS AWARD

Imdex Limited (ASX: IMD) ("Imdex" or the "Company), a leading mining technology company, today advises that its subsidiaries, Australian Mud Company Pty Ltd (AMC) and REFLEX Instruments Asia Pacific Pty Ltd (REFLEX), have successfully upheld and enforced innovation patents against Mr. Kleyn and his companies Mincrest Holdings Pty Ltd (Camteq), Coretell Pty Ltd and Kleyn Investments Pty Ltd (the respondents).

In December 2015, the respondents were found to have infringed AMC's innovation patents relating to the company's core orientation instrument – the ACT. The respondents then filed a cross claim challenging the patents' validity. This cross claim included numerous technical grounds, together with allegations that the invention had been commercialised prior to patent rights being secured by AMC. All of these claims and allegations were rejected by the Court.

Declarations of infringement against the respondents were made on 23 March 2016 and final cost orders relating to this judgment were received on 29 April 2016. These orders concluded, amongst other things, that the respondents pay costs on an indemnity basis in relation to the unfounded allegations of prior commercialisation. AMC and REFLEX are now pursuing an award for compensation and costs.

Commenting on the successful outcome, Imdex's Managing Director Mr. Bernie Ridgeway said:

"I am pleased with the orders as they validate the strength of our core tool patents. We have secured a unique position within the global minerals market via our investment in leading technologies to lower costs and enhance the efficiency of our clients' operations. We will ensure our company takes all necessary steps to protect this investment and our intellectual property – now and in the future."