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ABN 78 008 947 813

Innovative Technologies
Integrated Solutions
Global Support



12 September 2016

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

Dear Sir/Madam

General Meeting - Notice of Meeting

Please find attached a copy of the Notice of Meeting for the General Meeting of Imdex Limited (ASX: **IMD**) to be held at 11.00am (WST) on 13 October 2016.

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





Index Limited

ACN 008 947 813

General Meeting

Meeting Documents

Notice of General Meeting & Explanatory Statement

Proxy Form for General Meeting

General Meeting to be held at:

Time: 11.00am WST

Date: Thursday, 13 October 2016

Place: 216 Balcatta Rd
Balcatta, Western Australia

**This is an important document and should be read in its entirety. Please read it carefully.
A Proxy Form is enclosed within this Notice of General Meeting and Explanatory Statement.**

If you are unable to attend the General Meeting, please complete the Proxy Form enclosed and return it in accordance with the instructions set out on that form. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor and/or other professional adviser without delay.

NOTICE OF MEETING



IMDEX LIMITED
ACN 008 947 813

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Shareholders of Imdex Limited will be held at 216 Balcatta Rd, Balcatta, Western Australia, Australia on Thursday, 13 October 2016 commencing at 11.00am (Perth time).

If you are unable to attend the Meeting you are encouraged to complete and return the proxy form attached to this Notice of Meeting. The completed proxy form must be received at the office of the Company's share registrar, Computershare Investor Services Pty Ltd, by no later than 11.00am (Perth time) on Tuesday, 11 October 2016.

Agenda

Ordinary Business

1. Re-election of Mr Anthony Wooles

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

"That, for all purposes, Mr Anthony Wooles, who was appointed to the Board of Directors on 1 July 2016 as an additional Director, and being eligible, offers himself for re-election, is re-elected as a Director."

2. Approval for prior issue of Tranche 1 Shares

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

"That, the prior allotment and issue of 37,290,000 fully paid ordinary shares at an issue price of \$0.55 per share to the Tranche 1 Recipients, on the terms set out in the Explanatory Statement accompanying this Notice of Meeting, be approved."

Voting Exclusion: The Company will disregard any votes cast on Resolution 2 by the Tranche 1 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.

3. Approval for Issue of Tranche 2 Shares

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

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval be and is hereby given for the issue and allotment of 35,437,273 fully paid ordinary shares at \$0.55 per share to the Tranche 2 Recipients as set out in the Explanatory Statement accompanying this Notice of Meeting."

NOTICE OF MEETING

Voting Exclusion: The Company will disregard any votes cast on Resolution 3 by the Tranche 2 Recipients, any associate of the Tranche 2 Recipients and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares in the Company, if Resolution 3 is passed, 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.

4. Approval for Director Participation in the Issue of Tranche 2 Shares – Mr Anthony Wooles

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

“That, subject to Resolution 3 being passed, in accordance with Listing Rule 10.11 and for all other purposes, approval be and is hereby given to allow the Company to issue Tranche 2 Shares to Mr Anthony Wooles (or his nominee), being a Director of the Company, on the same terms and conditions as those offered under the Issue of Tranche 2 Shares as detailed in the accompanying Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution 4 by Mr Anthony Wooles or his nominee (and any of their associates) and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed and any of their associates.

5. Placement of Shortfall Shares in SPP

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

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the issue and allotment of the Shortfall Shares to the Shortfall Recipients, on the same terms as those offered under the SPP as detailed in the Explanatory Statement accompanying this Notice of Meeting”

Voting Exclusion: The Company will disregard any votes cast on Resolution 5 by any person who may participate in the proposed issue of Shortfall Shares and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. 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 directions on the Proxy Form, or, it is cast by the person chairing the meeting as 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. Approval for Related Party participation in Shortfall Shares in SPP

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

“That, for the purposes of ASX Listing Rule 10.11 and section 195(4) of the Corporations Act 2001 (Cth) and for all other purposes, approval be and is hereby given to allow the Company to issue and allot a maximum of up to all of the Shortfall Shares to the Related Parties of the Company (or their nominee) on the same terms as those offered under the SPP as detailed in the Explanatory Statement accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast on Resolution 6 by any Director or their associates and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. 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 directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Explanatory Statement

Shareholders are referred to the Explanatory Statement accompanying and forming part of this Notice of 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 Shareholders' entitlements to vote at the Meeting.

NOTICE OF MEETING

The Directors have determined that all Shares of the Company on the register as at 5.00pm (Perth time) on 11 October 2016 shall, for the purposes of determining voting entitlements at the Meeting, be taken to be held by the persons registered as holding the Shares at that time.

Proxies

Please note that:

- (a) a member of the Company entitled to attend and vote at the 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 Meeting provides further details on appointing proxies and lodging the Proxy Form. Proxies must be returned by 11.00am (Perth time) on 11 October 2016.

Voting by Proxy

A Shareholder can direct its proxy to vote for, against or abstain from voting on each resolution by marking the appropriate box in the Voting Directions section of the proxy form. If a proxy holder votes, they must cast all votes as directed. Any directed proxies that are not voted will automatically default to the Chairman, who must vote the proxies as directed.

If the Chairman is to act as your proxy in relation to the meeting (whether by appointment or by default) and you have not given directions on how to vote by marking the appropriate box in the Voting Directions section of the proxy form, the Chairman intends to vote all valid undirected proxies in respect of each of the Resolutions in favour of the relevant resolution.

If you are in any doubt as to how to vote, you should consult your professional adviser.

Corporate Representative

If a representative of a Shareholder corporation is to attend the Meeting, a "Corporate Representative Certificate" should be completed and produced prior to the meeting. Please contact the Company's Share Registry for a pro forma certificate if required.

By Order of the Board of Directors
Imdex Limited



Paul Evans
Company Secretary
Dated: 12 September 2016

EXPLANATORY STATEMENT

Purpose of this Document

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

1. Resolution 1: Re-election of Director Mr Anthony Wooles

In accordance with Article 17 of the Constitution directors appointed shall hold office until the next general meeting of the Company following their appointment and are then eligible for re-election at that meeting.

Mr Anthony Wooles, who was appointed to the Board on 1 July 2016, seeks re-election as a Director pursuant to Resolution 1 of the Notice of Meeting. Further details concerning Mr Wooles' qualifications and experience are set out in the 2016 Annual Financial Report.

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

2. Capital Raising Background

On 5 September 2016 the Company announced that it had agreed to raise approximately \$40 million through an offer of fully paid ordinary shares in the Company by way of a private placement in Australia and other agreed jurisdictions (**Placement**). The Company appointed Euroz to act as lead manager and bookrunner to the Placement.

The Placement is to be conducted in two tranches. The first tranche raised \$20.5 million (before costs), and is comprised of 37,290,000 Shares at an issue price of \$0.55 per Share.

As announced on 9 September 2016, the Company was advised by ASX that it considered a technical breach of ASX Listing Rule 7.1 had occurred on 5 September 2016 when the Company entered into agreement to issue the Tranche 1 Shares, as the Company's placement capacity was already fully utilized as a result of Warrants issued on 12 November 2015, which was contrary to the Company's view. Accordingly, the Tranche 1 Shares which were issued on or about 12 September 2016, were inadvertently issued in breach of Listing Rule 7.1. The Company now seeks Shareholder approval for the prior issue of the Tranche 1 Shares.

The second tranche will raise a further \$19.5 million (before costs) and will be comprised of 35,437,273 Shares at an issue price of \$0.55 per Share. ASX has advised the Company that, as a consequence of the technical breach of Listing Rule 7.1, the Company is precluded from issuing any equity securities (as defined in the ASX Listing Rules) under ASX Listing Rules 7.1 and 7.1A without security holder approval for the issue until 28 December 2017 (unless the issue comes within an exception in ASX Listing Rule 7.2) (**ASX Decision**). Accordingly, but in any event given the Company's agreement to issue Tranche 2 Shares was made subject to obtaining approval, the issue of the Tranche 2 Shares requires Shareholder approval pursuant to Listing Rule 7.1. If the issue of the Tranche 2 Shares is approved by Shareholders, it is anticipated that the Tranche 2 Shares will be settled on 14 October 2016 and then issued and allotted to the Tranche 2 Recipients on 17 October 2016.

The net Placement proceeds will be used to reduce the Company's current debt and strengthen the Company's balance sheet.

3. Resolution 2: Approval for prior issue of Tranche 1 Shares

3.1 Background

Resolution 2 is an ordinary resolution and proposes to approve the prior issue of the Tranche 1 Shares. The Tranche 1 Shares have been issued to the Tranche 1 Recipients on or about 12 September 2016 pursuant to the Placement. Further details in relation to the Placement are set out in Section 2 above.

3.2 ASX Listing Rule 7.1

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.

The Tranche 1 Shares were inadvertently issued in breach of Listing Rule 7.1. The effect of Resolution 2 will be to approve the prior issue of the Tranche 1 Shares, notwithstanding that the Tranche 1 Shares were issued by the Company in breach of Listing Rule 7.1 and will therefore not result in a ratification for the purposes of ASX Listing Rule 7.4 to reinstate the Company's capacity to issue up to 15% of its issued capital.

3.3 Details of the Shares issued under Tranche 1 of the Placement

Although the approval will not result in a ratification for the purposes of ASX Listing Rule 7.4, the Company provides the following information that would otherwise be required under ASX Listing Rule 7.5 for Shareholders in relation to the Shares the subject of Resolution 2:

- (a) the total number of Shares which have been issued, by the Company on or about 12 September 2016 is 37,290,000;
- (b) the issue price of each Share was \$0.55;
- (c) the Tranche 1 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 Tranche 1 Shares have been allotted to the Tranche 1 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 net funds raised from the issue of the Tranche 1 Shares will be utilised by the Company to reduce debt and to strengthen the Company's balance sheet; and
- (g) a voting exclusion statement is included in the Notice of Meeting.

The Directors recommend that Shareholders vote in favour of Resolution 2.

4. Resolution 3: Approval for Issue of Tranche 2 Shares

4.1 General

Resolution 3 is an ordinary resolution and seeks Shareholder approval to the issue of the Tranche 2 Shares, pursuant to the Placement. Further details in relation to the Placement are set out in Section 2 above.

4.2 Listing Rule 7.1

Listing Rule 7.1 provides that (subject to certain exceptions, none of which are relevant here) the prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the company during the previous 12 months, exceed 15% of the number of shares on issue at the commencement of that 12 month period.

The effect of Resolution 3 will be to allow the Directors to issue the Tranche 2 Shares to the Tranche 2 Recipients.

4.3 Technical Information required by Listing Rule 7.3

Listing Rule 7.3 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 7.1:

- (a) the total number of Shares to be issued by the Company will be 35,437,273;
- (b) the issue price of each Share is \$0.55;
- (c) the Shares are anticipated to be allotted and issued on 17 October 2016 and, in any event, no later than 3 months after the date of the Meeting;
- (d) the allotment of the Tranche 2 Shares is expected to occur on one date and not progressively;

- (e) the Tranche 2 Shares will be issued on the same terms as, and will rank equally with, all fully paid ordinary shares in the Company on issue;
- (f) the Shares will be allotted to the Tranche 2 Recipients, being clients of Euroz who are sophisticated and professional investors;
- (g) Tranche 2 Shares may be issued to related parties of the Company, as described in Resolution 4;
- (h) the net funds raised from the issue of the Tranche 2 Shares will be utilised by the Company to reduce existing debt and to strengthen the Company's balance sheet; and
- (i) a voting exclusion statement is included in the Notice of Meeting.

The Directors recommend that Shareholders vote in favour of Resolution 3.

5. Resolution 4: Approval for Director Participation in the Issue of Tranche 2 Shares

5.1 General

Resolution 4 is an ordinary resolution which provides for the issue of Shares to Director, Mr Anthony Wooles or his nominee, who are otherwise eligible to and who elect to apply for Tranche 2 Shares.

The issue of Shares pursuant to Resolution 4 is to be approved by Shareholders under the requirements of Listing Rule 10.11. The Shares proposed to be issued to the specified Director, subject to Shareholder approval of Resolution 4, form part of the total number of Tranche 2 Shares (and do not add to that total). If Shareholder approval for Resolution 4 is not obtained, the Tranche 2 Shares the subject of Resolution 4 may be issued to alternate non-related parties of the Company.

The Chairman will vote all available proxies in favour of Resolution 4, save to note that the Chair will be passed by Mr Wooles to an alternate director for Resolution 4.

5.2 Listing Rule 10.11

Shareholder approval is required under Listing Rule 10.11 for Mr Anthony Wooles to participate in the issue of Tranche 2 Shares because as a Director of the Company, he is considered to be a related party of the Company.

Listing Rule 10.11 restricts the Company's ability to issue securities to directors (or an entity controlled by a director), unless approval is obtained from Shareholders. The effect of passing Resolution 4 will be to allow the Company to issue a total maximum amount of 1,818,183 to Mr Wooles (or his nominee), without breaching Listing Rule 10.11 or using the Company's 15% placement capacity under Listing Rule 7.1.

As Shareholder approval is being sought under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

5.3 Specific Information Required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, information regarding the issue of Shares to Mr Anthony Wooles (or his nominee) in regard to his participation in the issue of Tranche 2 Shares, is provided as follows:

- (a) The Shares will be issued to Mr Anthony Wooles or his nominee;
- (b) A maximum of 1,818,183 Shares will be issued at \$0.55 per Share;
- (c) The Shares are anticipated to be allotted and issued on 17 October 2016 and, in any event, no later than 1 month after the date of the Meeting;
- (d) The Shares will be issued to Mr Anthony Wooles (or his nominee) at an issue price of \$0.55 each per Share and otherwise on the same terms and conditions as the Shares offered under the Tranche 2 Shares;
- (e) A voting exclusion statement is included in the Notice of General Meeting; and
- (f) The funds raised from the issue of the Shares will be used in the manner set out in section 4.3(h) of this Explanatory Statement.

5.4 Chapter 2E of the Corporations Act

Chapter 2E of the *Corporations Act 2001* (Cth) prohibits the giving of financial benefits to related parties without shareholder approval, subject to certain exceptions. One exception is where the benefit is given on “arm’s length” terms, such that it would be reasonable in the circumstances of the Company and related party, in this case the directors, were dealing at arm’s length. As such, reliance is placed on the exception to section 208 of the Corporations Act in relation to Resolution 4.

The Directors recommend that Shareholders vote in favour of Resolution 4, save that Mr Wooles refrains from making any recommendation on Resolution 4.

6. Resolution 5: Placement of Shortfall Shares under the SPP

6.1 General

Under the terms of the SPP, the Directors reserve the right to place any Shortfall Shares in their absolute discretion at a price not less than the price of the Shares being offered under the SPP. Resolution 5 is an ordinary resolution and seeks Shareholder approval pursuant to Listing Rule 7.1 to the issue of the Shortfall Shares. A summary of ASX Listing Rule 7.1 is set out in Section 5 above.

The effect of Resolution 5 will be to allow the Directors to issue the Shortfall Shares to the Shortfall Recipients.

6.2 Technical Information required by Listing Rule 7.3

Listing Rule 7.3 requires that the following information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 7.1:

- (a) the total number of Shortfall Shares to be issued by the Company will be the number of Shares not taken up in the SPP. By way of example:
 - (i) if no Shares were taken up in the SPP, the (maximum) Shortfall Shares would be 9,090,909; and
 - (ii) if 50% of the Shares were taken up in the SPP (being 4,545,454), the number of Shortfall Shares would be 4,545,454;
- (b) the issue price of each Share is \$0.55;
- (c) the Shares are anticipated to be allotted and issued on 17 October 2016 and, in any event, no later than 3 months after the date of the Meeting;
- (d) the allotment of the Shortfall Shares is expected to occur on one date and not progressively;
- (e) the Shortfall Shares will be issued on the same terms as, and will rank equally with, all fully paid ordinary shares in the Company on issue;
- (f) the Shares will be allotted to the Shortfall Recipients, being those sophisticated and exempt investors who apply for Shortfall Shares, and subject to the passing of Resolution 6 may include Directors;
- (g) the funds raised from the issue of the Shortfall Shares will be used in the manner set out in section 4.3(h) of this Explanatory Statement; and
- (h) a voting exclusion statement is included in the Notice of Meeting.

The Directors recommend that Shareholders vote in favour of Resolution 5.

7. Resolution 6: Approval for Related Parties participation in the Shortfall Shares in SPP

7.1 General

Resolution 6 is an ordinary resolution and provides for the issue of Shortfall Shares to the Directors or their nominees (**Related Parties**).

The issue of Shortfall Shares to the Related Parties pursuant to this Resolution is to be approved by Shareholders under the requirements of Listing Rule 10.11.

Subject to approval of this Resolution 6 (and there being any Shortfall Shares in the SPP):

- (a) the Related Parties may subscribe for Shortfall Shares (in addition to, if applicable, their entitlement of \$15,000 of Shares under the SPP, which entitlement subscription does not require approval of Shareholders); and
- (b) the Related Parties may, in aggregate, subscribe for a maximum of up to 100% of the Shortfall Shares.

The maximum number of Shares to be issued pursuant to the SPP is 9,090,909 Shares. The Related Parties' entitlements under the SPP (for which three have stated an intention to subscribe, being \$15,000 each) total 81,818 Shares in aggregate, meaning the maximum number of Shortfall Shares that could arise, if no other shareholder subscribed for Shares in the SPP is 9,009,091 Shortfall Shares (which, whilst unlikely, is shown for illustrative purposes only). If Resolution 6 is approved, and there is shortfall, the Related Parties may subscribe for a maximum of 9,009,091 Shortfall Shares. None of the Related Parties would acquire a voting power of more than 19.9% as a result of the issue of Shortfall Shares pursuant to this Resolution.

7.2 Listing Rule 10.11

Listing Rule 10.11 restricts the Company's ability to issue securities to related parties, including directors (or an entity controlled by a director) or a person who has been a director of the Company during the last 6 months, unless approval is obtained from Shareholders. The effect of passing Resolution 6 will be to allow the Company to issue a total maximum amount of 9,009,091 Shortfall Shares to the Related Parties (in aggregate), without breaching Listing Rule 10.11.

As Shareholder approval is being sought under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

7.3 Specific Information Required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, information regarding the possible issue of Shortfall Shares to the Related Parties is provided as follows:

- (a) the Shortfall Shares would be issued to Mr Bernie Ridgeway, Mr Kevin Dundo, and Ms Betsy Donaghey or their nominees;
- (b) subject to their being a Shortfall Share issue, and subject to their being sufficient allocation available, the maximum number of Shortfall Shares to be issued by the Company to the Related Parties will be the number of Shares not taken up in the SPP. By way of example:
 - (A) if no Shares were taken up in the SPP (other than the Related Parties' entitlement which they have committed to take up), the maximum number of Shortfall Shares that could be issued to the Related Parties (in aggregate) would be 9,009,091 Shares; and
 - (B) if 50% of the Shares were taken up in the SPP, the maximum number of Shortfall Shares that could be issued to the Related Parties (in aggregate) would be 4,545,454 Shares;

For the avoidance of doubt, it should be noted that three Directors (whom are eligible to participate) intend to apply for their full entitlement of up to \$15,000 each in the SPP, but if the SPP is fully subscribed by eligible Shareholders (to the maximum cap of \$5 million, being 9,090,909), there would be no Shortfall and the Related Parties would not receive any Shortfall Shares under this Resolution 6;

- (c) the Shortfall Shares to Related Parties (if any) are anticipated to be allotted and issued on or about 17 October 2016 and, in any event, no later than 1 month after the date of the Meeting;

- (d) the Shortfall Shares (if any) would potentially be issued to Ms Betsy Donaghey, Mr Bernie Ridgeway and Mr Kevin Dundo or their nominees at an issue price of \$0.55 each per Share and otherwise on the same terms and conditions as the Shortfall Shares the subject of Resolution 6;
- (e) the funds raised from the issue of the Shortfall Shares will be used in the manner set out in section 4.3(h) of this Explanatory Statement; and
- (f) a voting exclusion statement is included in the Notice of General Meeting.

7.4 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits the giving of financial benefits to related parties without shareholder approval, subject to certain exceptions. One exception is where the benefit is given on "arm's length" terms, such that it would be reasonable in the circumstances of the Company and related party, in this case the directors, were dealing at arm's length. As such, reliance is placed on the exception to section 208 of the Corporations Act in relation to Resolution 6.

7.5 Section 195(4) of the Corporations Act

Section 195 of the Corporations Act provides that a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered.

Approval of Resolution 6 in the Notice of Meeting may result in the Directors having a "material personal interest" in the subject of that Resolution on the basis that approval is sought for each Director to participate in the issue of Shortfall Shares. In the absence of approval under section 195 of the Corporations Act, the Directors would not be able to form a quorum at any meetings necessary to carry out the issue of Shortfall Shares to Directors as contemplated by Resolution 6. The Directors have accordingly exercised their right under section 195(4) of the Corporations Act to put the matter to Shareholders to resolve upon.

8. Glossary

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

ASX means ASX Limited or the Australian Securities Exchange, as the context requires.

ASX Decision has the meaning as defined in section 2 above.

Company means Imdex Limited ACN 008 947 813.

Constitution means the Constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a Director of the Company.

Euroz means Euroz Securities Limited.

Explanatory Statement means this explanatory statement accompanying the Notice of Meeting.

Meeting or **General Meeting** means the General Meeting of the Company to be held at 11.00 am (Perth time) on 13 October 2016.

Notice or **Notice of Meeting** means the notice of meeting accompanying this Explanatory Statement.

Perth time means the time in Perth, Western Australia.

Placement has the meaning set out in Section 2.

Related Parties means the related parties of the Company specified in section 5.2.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

EXPLANATORY STATEMENT

Shareholder means a holder of a Share.

Shortfall Shares means any Shares not taken up by eligible Shareholders under the SPP.

Shortfall Recipients means the recipients of the Shortfall Shares, being sophisticated or exempt investors who apply for and are allotted Shortfall Shares.

SPP means the Share Purchase Plan announced by the Company on 5 September 2016 for the Company to raise a maximum of \$5,000,000 at an issue price of \$0.55 per Share with all eligible Shareholders as at the record date of 2 September 2016 being able to apply for up to \$15,000 each.

Tranche 1 Shares means 37,290,000 Shares at an issue price of \$0.55 each, issued to the Tranche 1 Recipients.

Tranche 2 Shares means 35,437,273 Shares at an issue price of \$0.55 each, to be issued to the Tranche 2 Recipients.

Tranche 1 Recipients means the recipients of the Tranche 1 Shares, being clients of Euroz who are sophisticated and professional investors.

Tranche 2 Recipients means the recipients of the Tranche 2 Shares, being clients of Euroz who are sophisticated and professional investors.

\$ means Australian dollars.

Lodge your vote:



Online:

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

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

IMD

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

Proxy Form

XX



Vote online

- Go to 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: I9999999999

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 11:00am (WST) Tuesday, 11 October 2016**

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 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 General Meeting of Imdex Limited to be held at 216 Balcatta Road, Balcatta, Western Australia on Thursday, 13 October 2016 at 11:00am (WST) and at any adjournment or postponement of that meeting.

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 Mr Anthony Wooles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval for prior issue of Tranche 1 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval for Issue of Tranche 2 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval for Director Participation in the Issue of Tranche 2 Shares – Mr Anthony Wooles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Placement of Shortfall Shares in SPP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval for Related Party participation in Shortfall Shares in SPP	<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 / /