



9 September 2016

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

Dear Sir/Madam

Technical breach of ASX Listing Rule 7.1

Imdex Limited (ASX:IMD) (**Company** or **Imdex**) has been advised by ASX that it considers a technical breach of ASX Listing Rule 7.1 has occurred.

On 12 November 2015, the Company issued detachable warrants (**Warrants**). As set out in the Appendix 3B released on 12 November 2015, the terms of the Warrants confer on the holder a right to be paid a cash amount, exercisable between 12 November 2016 and 12 November 2019. Upon receipt of such a payment request, the Company may elect to repay the Warrants either by a cash payment, by the transfer of shares or by the issue of new shares (subject to the Company having sufficient capacity under ASX Listing Rule 7.1 or obtaining shareholder approval).

ASX has advised the Company that it considers the Warrants constitute convertible securities (and thereby equity securities) and that the issue of the Warrants therefore falls within ASX Listing Rule 7.1.

Accordingly, ASX has advised the Company that technical breaches of ASX Listing Rule 7.1 occurred:

1. on 12 November 2015 when the Warrants were issued, as the Company had not yet refreshed its capacity following the placement undertaken in August 2015; and
2. on 5 September 2016, when the Company entered into agreements to issue Tranche 1 of the placement announced on 5 September 2016, as the Company's placement capacity was already fully utilised by the Warrants.

ASX has advised the Company that, as a consequence, 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 shareholder approval for the issue until 28 December 2017 (unless the issue comes within an exception in ASX Listing Rule 7.2). In this regard, the Company has provided to ASX an undertaking not to issue any further equity securities without security holder approval until 28 December 2017, unless the issue comes within an exception in ASX Listing Rule 7.2.

The Company has acted on the basis that the Warrants were not equity securities (and therefore did not count towards the Company's 15% capacity under Listing Rule 7.1) and ASX has accepted that the breaches were not intentional.



As a result of ASX's decision, the Company advises the following in relation to the placement announced on 5 September 2016 (**Placement**):

1. the Company is deemed to have been in breach of Listing Rule 7.1 in connection with the issue of the 37,290,000 shares that form tranche 1 of the Placement (**Tranche 1 shares**), which shares are expected to commence trading from 13 September 2016;
2. it will seek subsequent shareholder ratification (although not technically pursuant to Listing Rule 7.4) for the issue of the Tranche 1 shares; and
3. a notice of meeting seeking the ratification in relation to the Tranche 1 shares and shareholder approval for the issue of the 35,437,273 shares that comprise Tranche 2 of the Placement will be despatched next week.

ASX's decision will not prevent the Company from issuing shares under the Share Purchase Plan announced on 5 September 2016, as the issue will come within an exception in ASX Listing Rule 7.2.

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