


Index Limited FY17 Results Presentation

21 August 2017

Bernie Ridgeway – Managing Director
Paul Evans – CFO & Company Secretary

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We are a leading global METS* company.
Our solutions improve the process of identifying and extracting what is below the earth's surface for drilling contractors and resource companies – we let clients know where it is and what it is...now.

Our **vision** is to be the leading provider of real-time subsurface intelligence solutions to the global minerals industry.

FY17 Highlights

- Increased revenue and earnings
 - Strong balance sheet
 - Successful capital raising
 - \$30 million Bankwest facility secured on attractive terms
 - Paid out Bain Capital in full
 - Divestment of wholly owned oil and gas businesses – 100% minerals focused
- Early stages of minerals industry upswing
 - Increase of REFLEX instruments on hire
 - Continued to invest in R&D
 - Commercialised new technologies
 - Commenced internal digital transformation project
 - Board renewal – appointment of new Non-Executive Chairman and Non-Executive Director

Key Metrics (\$million)

\$MILLIONS UNLESS INDICATED OTHERWISE	FY17	FY16	VAR	VAR%
Revenue from continuing operations ¹	176.2	143.3	32.9	23% ▲
EBITDA from continuing operations	31.5	20.3 ²	11.2	55% ▲
NPAT	3.6 ³	-56.2 ⁴	59.8	▲
EPS (cents)	1.1	-23.1	24.2	▲
Operating cash flow from continuing operations (excluding financing costs)	20.7	10.0	10.7	107% ▲
Net assets	159.8	115.6	44.2	38% ▲
Number of employees as at 30 June	437	468 ⁵	-31	-7% ▼

¹ AMC Oil & Gas is discontinued and Imdex's 30% share in VES has been written-off

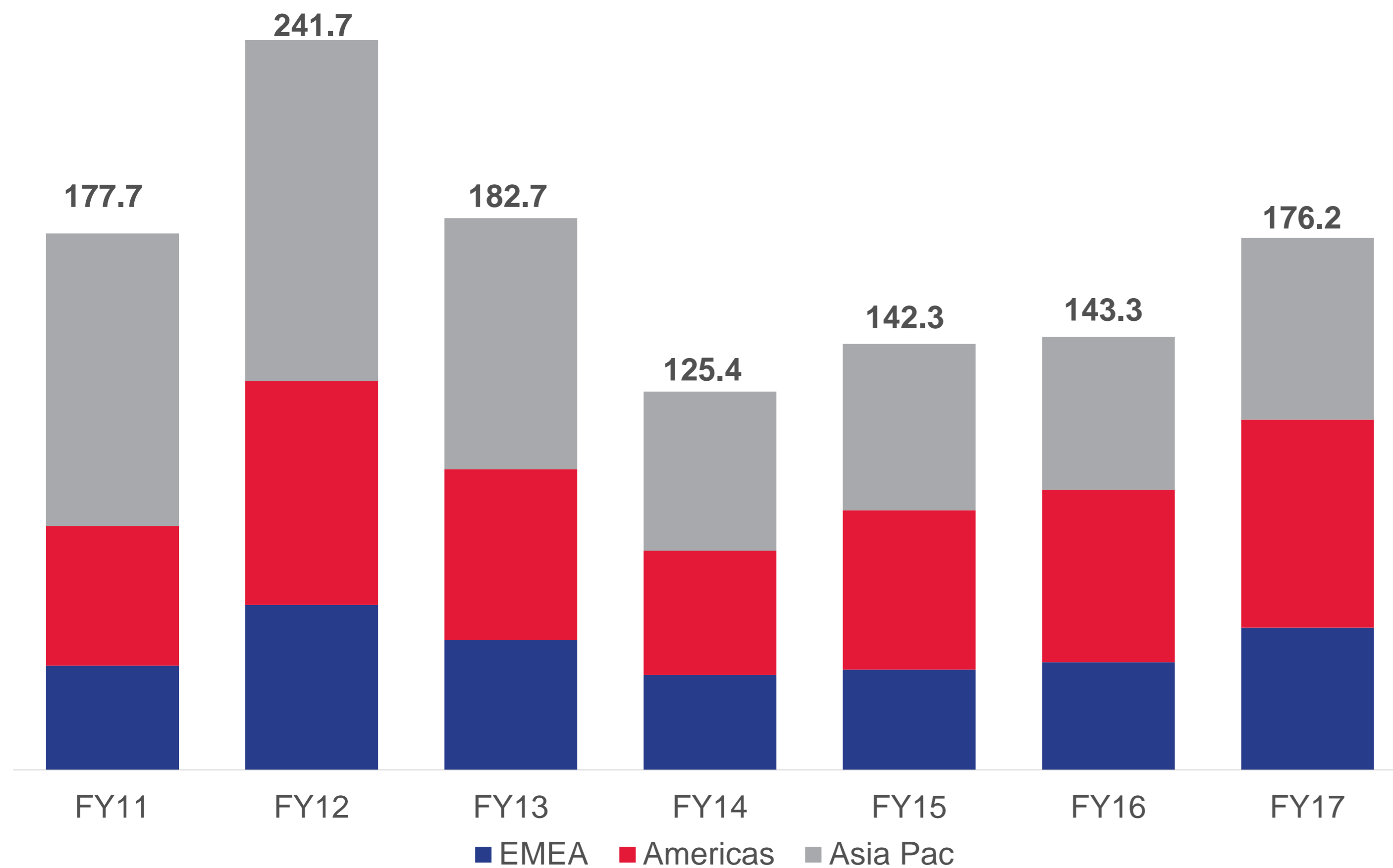
² Normalised to exclude restructure and other one-off costs totalling \$5.2m

³ Includes \$16.2m (non-cash \$11.5m) of financing costs in relation to Bain Capital, which has been fully repaid

⁴ Includes impairment costs of \$32.2m associated with the VES JV and \$17.8m of restructuring and other costs, of which \$12.6m relates to the divestment of AMC Oil & Gas

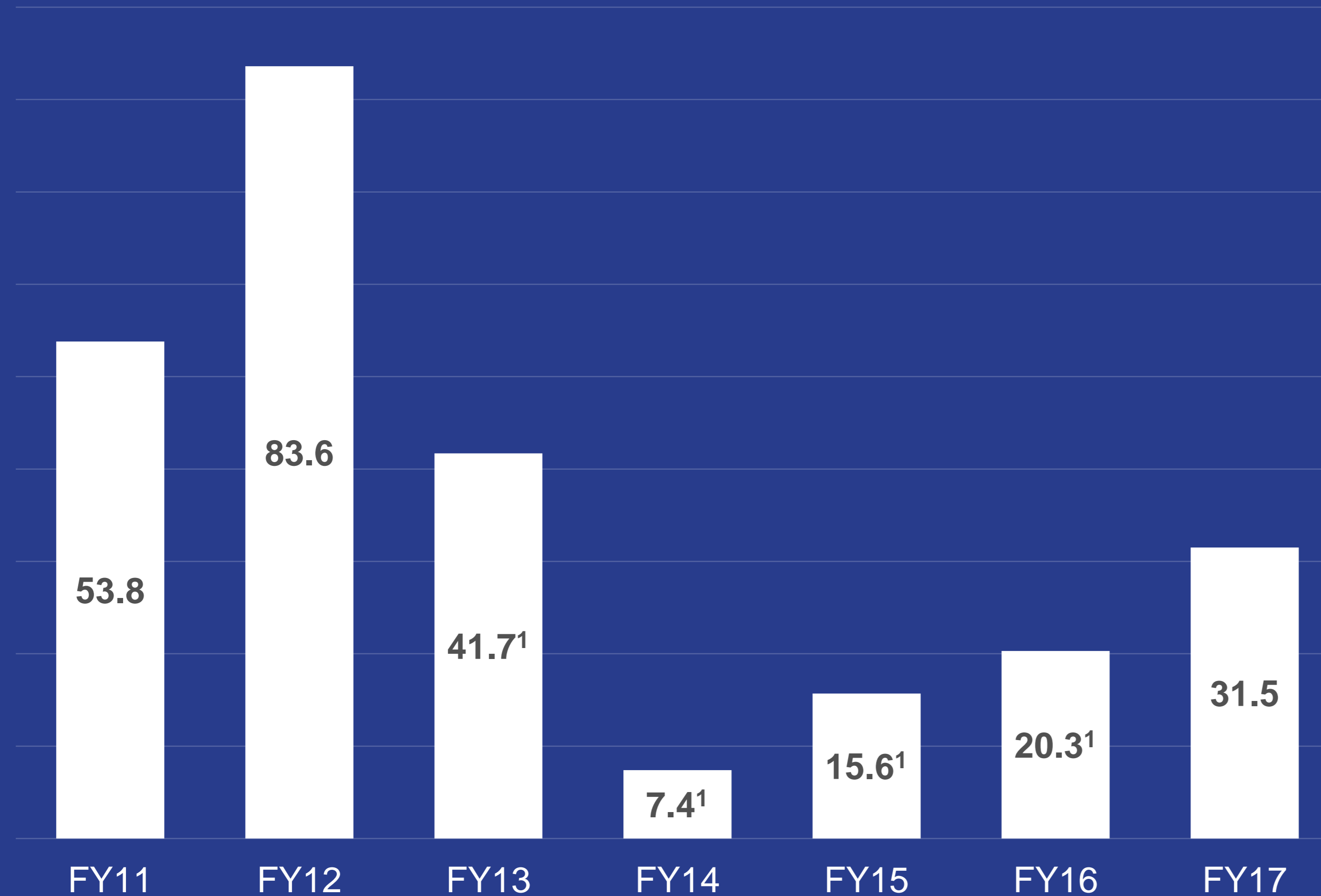
⁵ Includes 74 AMC Oil & Gas employees within discontinued operations

Minerals Revenue by Region (\$million)



- FY17 revenue up 23% on pcp
- Increasing revenue trend across all regions
- Business benefited from global presence and regional expertise
- Uplift continues into FY18

EBITDA (\$million)



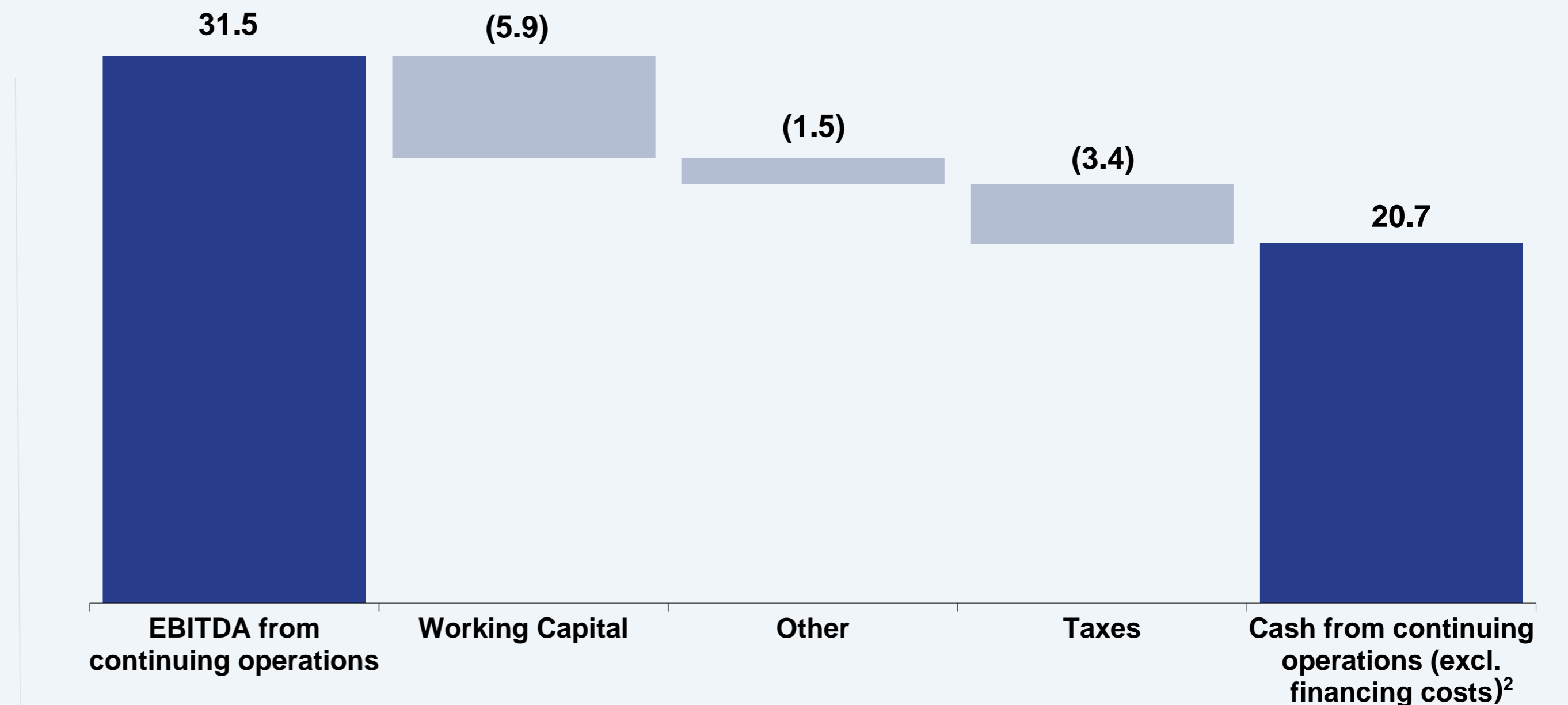
¹Normalised minerals revenue – continuing operations

- Core business profitable throughout downturn
- FY17 EBITDA up 55% on pcp
- Additional investment in key personnel in 4Q17
- Focused on cost discipline while driving revenue growth
- EBITDA margin improvement expected in FY18 while increasing investment in the business of ~\$5 million

Balance Sheet & Working Capital (\$millions)

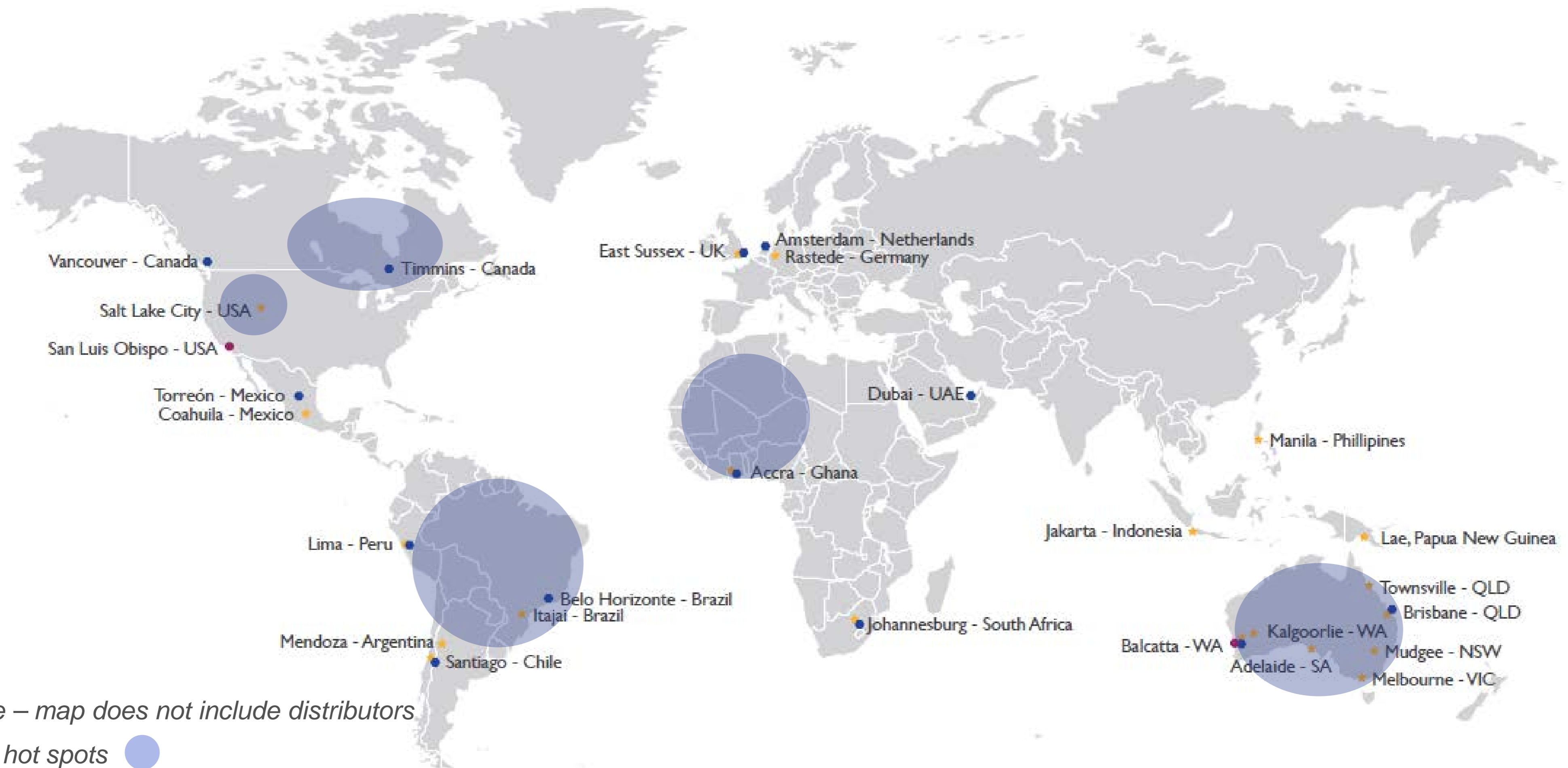
\$MILLIONS UNLESS INDICATED OTHERWISE	30 JUN 2017	30 JUN 2016
Cash	19.4	13.0
Receivables	41.5	28.8
Inventory	29.9	27.4
Assets held for sale ¹	-	3.2
Fixed assets	32.2	38.2
Intangibles	60.4	60.9
Other assets / deferred tax	27.5	24.9
TOTAL ASSETS	210.9	196.4
Payables	30.4	20.8
Bank loans	6.5	43.0
HP finance	0.6	1.2
Other liabilities, provisions, current tax	13.6	15.8
TOTAL EQUITY	159.8	115.6

¹Oil and gas technology written-off



²Represents cash inflows of \$19.5m (prior to financing costs) adjusted for cash outflows from discontinued operations of \$1.2m.

Global Business with Operational Leverage



Index presence – map does not include distributors

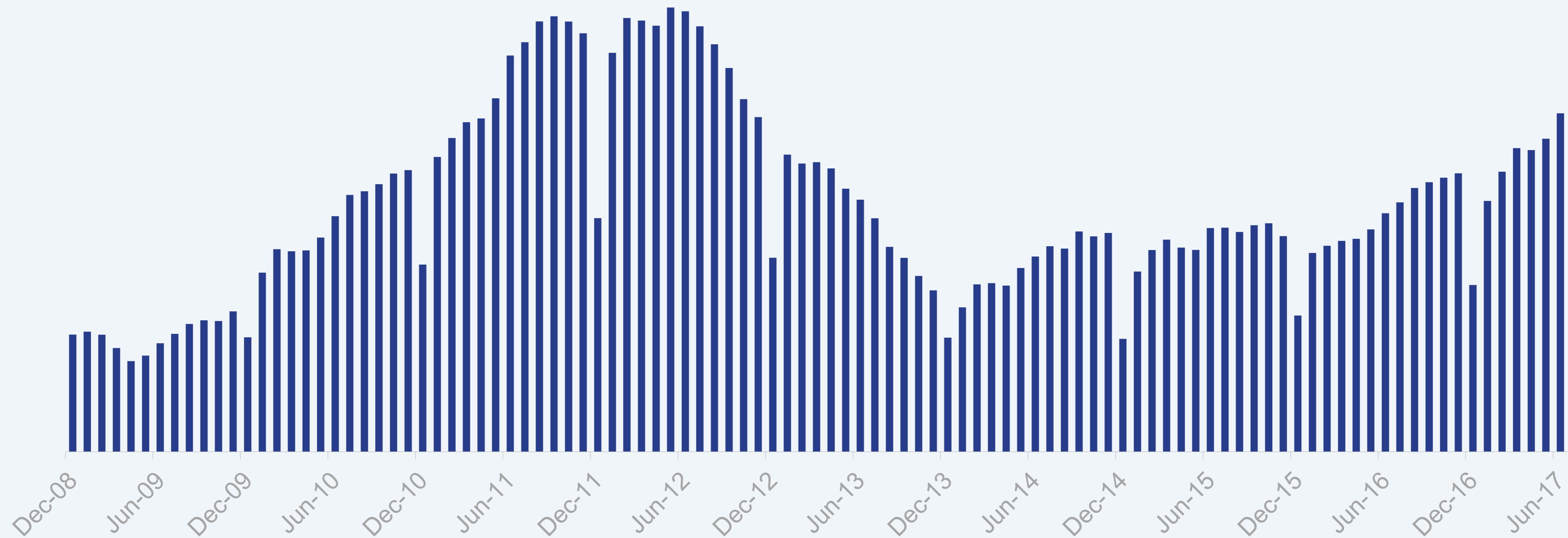
Mining industry hot spots ●

Market Update

- Increased activity in the minerals sector – particularly in Canada, Latin America, West Africa and Australia
- Activity uplift initially associated with stronger gold price – now a broader-based recovery
- Major, intermediate and junior companies well-funded with increased budgets
- Large resource companies – continuing to focus on increasing efficiencies, cost reduction
- New technologies are gaining momentum in order to drive efficiencies and productivity
- Mining companies need to replace depleting reserves

REFLEX Instruments on Hire

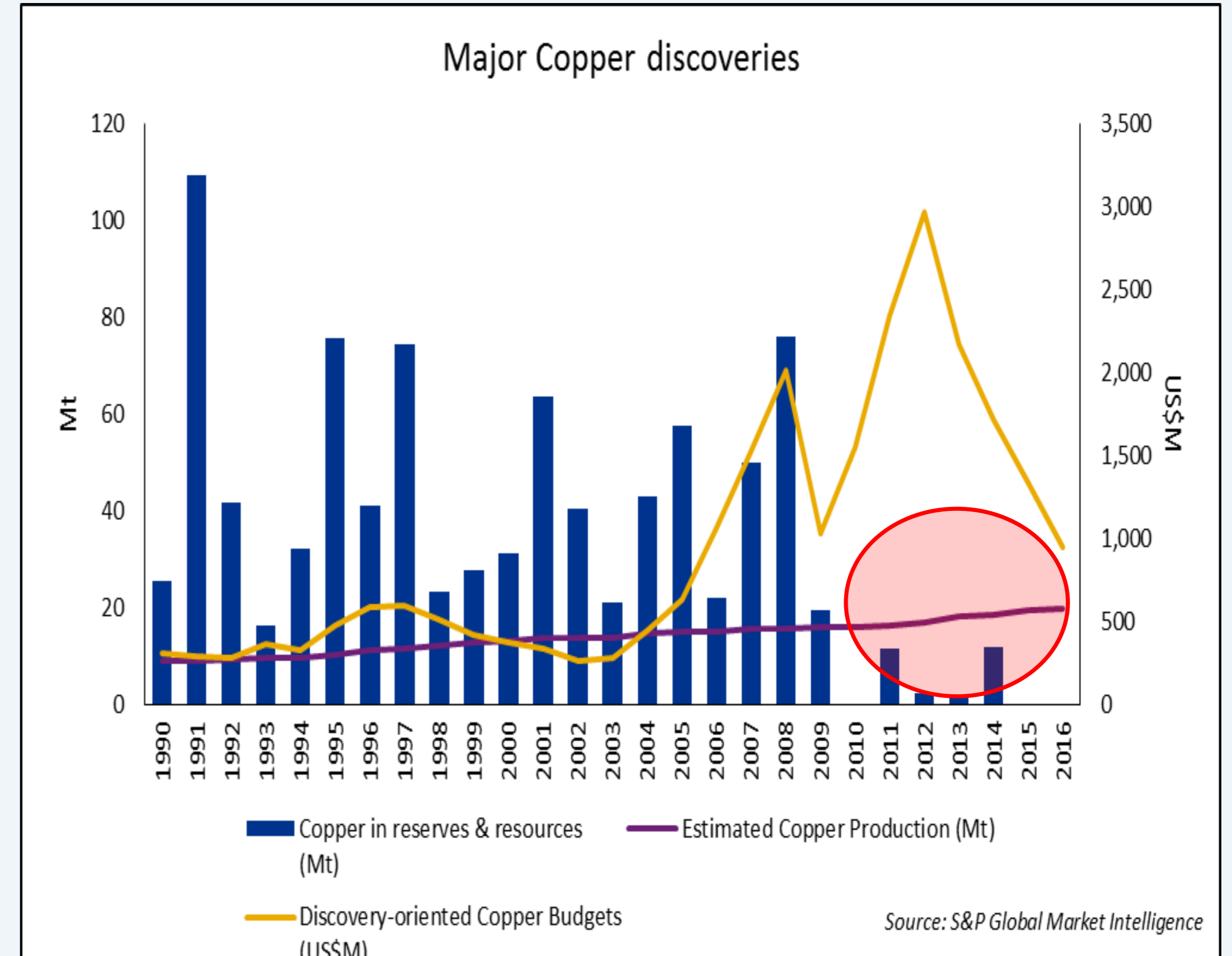
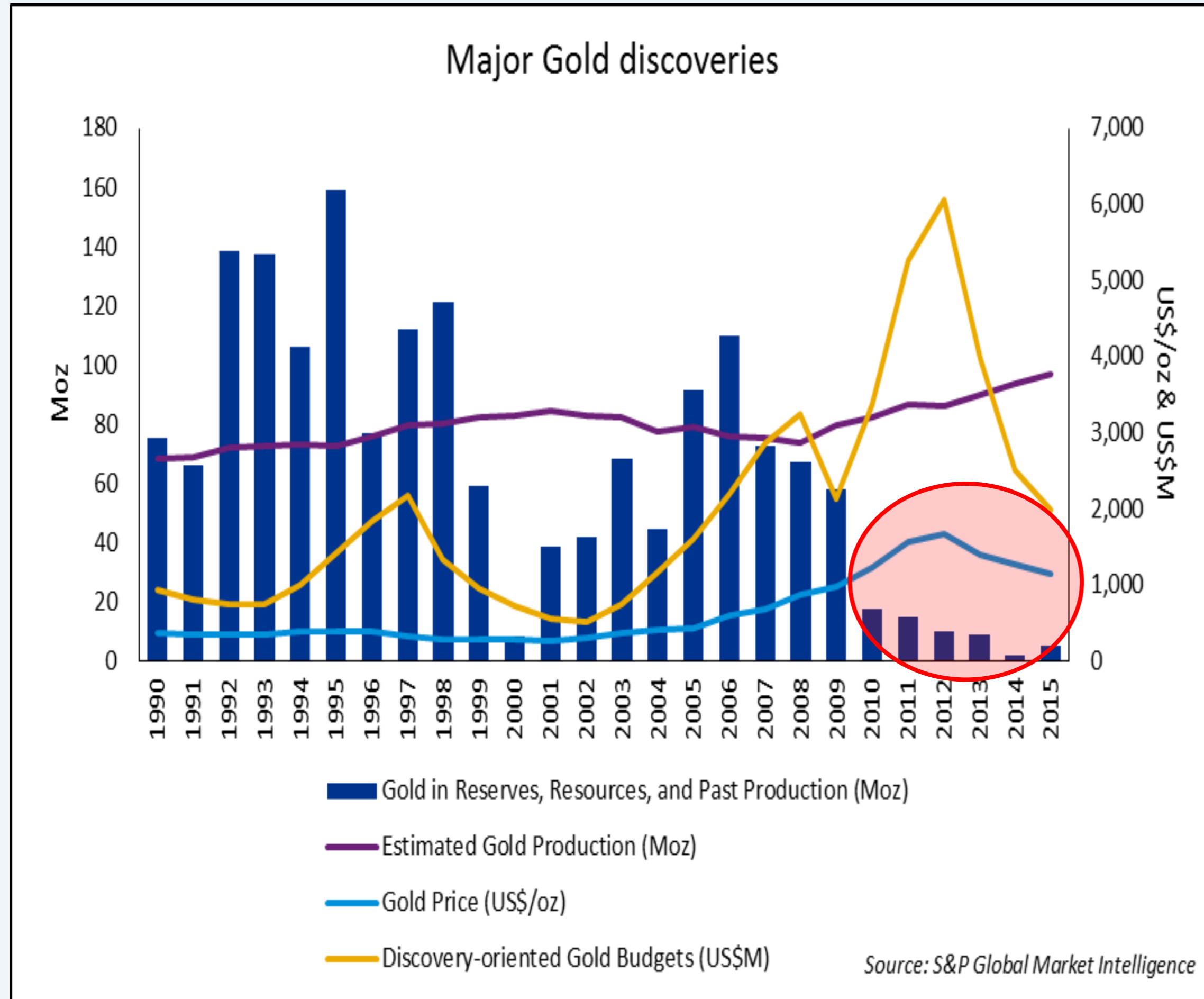
(Number of units)



- As more rigs return to work, additional instrumentation is required – all commodities
- Instruments on hire increased CY14-CY16 despite significant decrease in exploration expenditure over those 3 years
- 30 June 2017, 42% increase compared to 30 June 2016

- Increased demand for and adoption of traditional survey and core instrumentation, together with more recent technologies
- Most newer technologies yield higher rental rates due to greater value add for clients

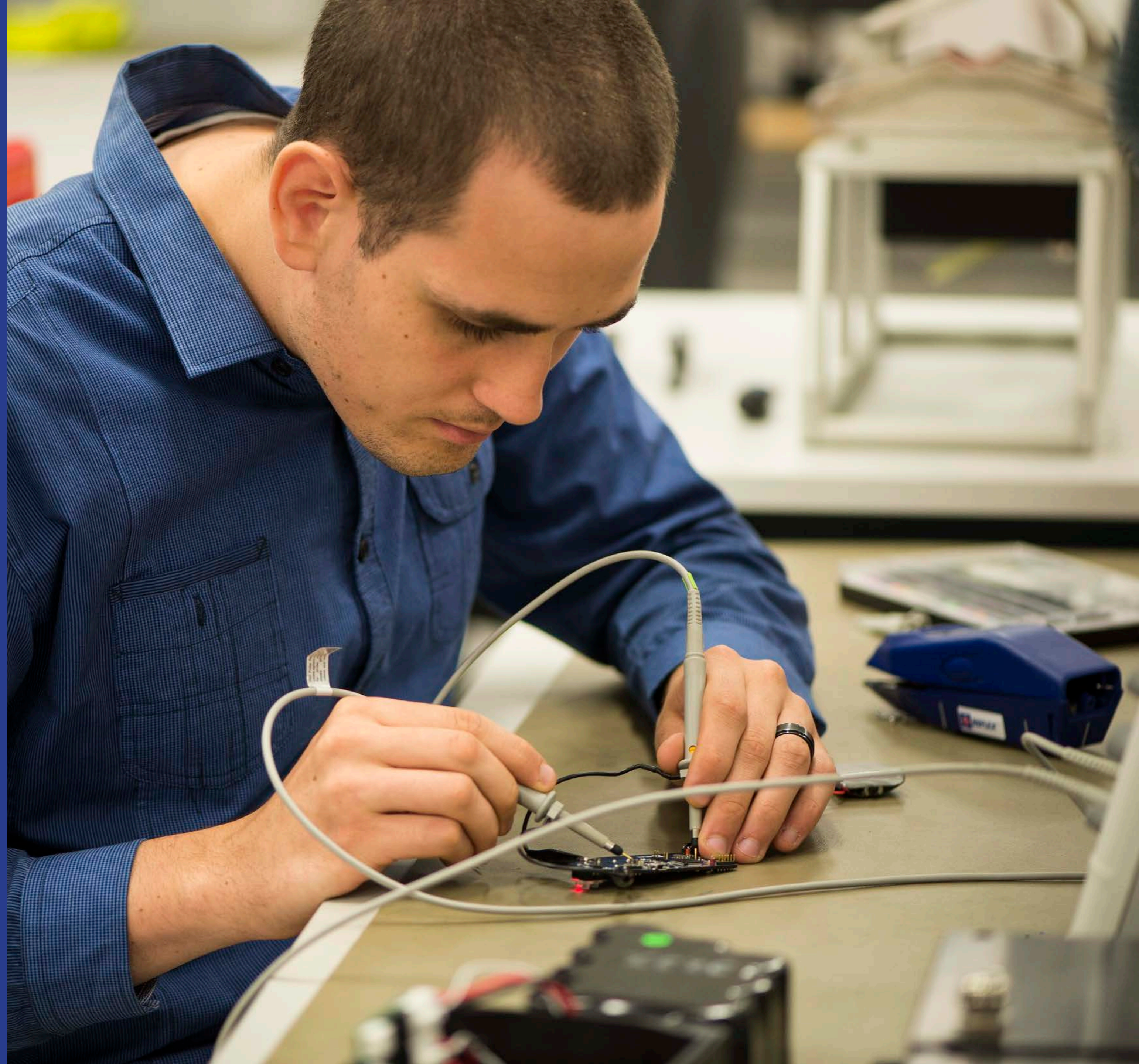
Market Update



Despite increased expenditure, gold and copper discoveries are not keeping up with production – grades decreasing, deeper, more complex ore bodies, more difficult and longer lead times to develop

Driving Sustainable Earnings Growth

- Growth of core business historically driven by cyclical upswing and the introduction of new technologies
- Strategic positioning for sustainable earnings growth
- FY18 investing in two-tiered strategy:
 - **Organic** – protect and grow core business
 - **Transformational** – extension into new market segments



Summary & Outlook

- Strong performance in FY17
 - REFLEX instruments on hire at 30 June 2017 42% up on 30 June 2016
 - Activity within major mining areas is robust – early stages of cyclical upswing
 - Recovery initially driven by gold, now more broad-based
 - Major, intermediate and junior companies well-funded with increased budgets
 - There remains a fundamental need to replace diminishing resources and reserves
- Strategic positioning to achieve sustainable earnings growth for shareholders
 - Solid balance sheet – ability to drive organic and transformational growth
 - Stronger financial performance expected in FY18



Appendices

Index Board



Mr Anthony Wooles BCom, MBA (Finance)

- Non-Executive Chairman
- Appointed to the Board 1 July 2016



Mr Bernard Ridgeway B.Bus (ACCTG) ACA

- Managing Director
- Appointed to the Board 23 May 2000



Mr Kevin Dundo BCom, LLB

- Non-Executive Director
- Appointed to the Board 14 January 2004



Ms Sally-Anne Layman B Eng (Mining), Hon, BCom

- Non-Executive Director
- Appointed to the Board 6 February 2017



Mr Ivan Gustavino B.Bus

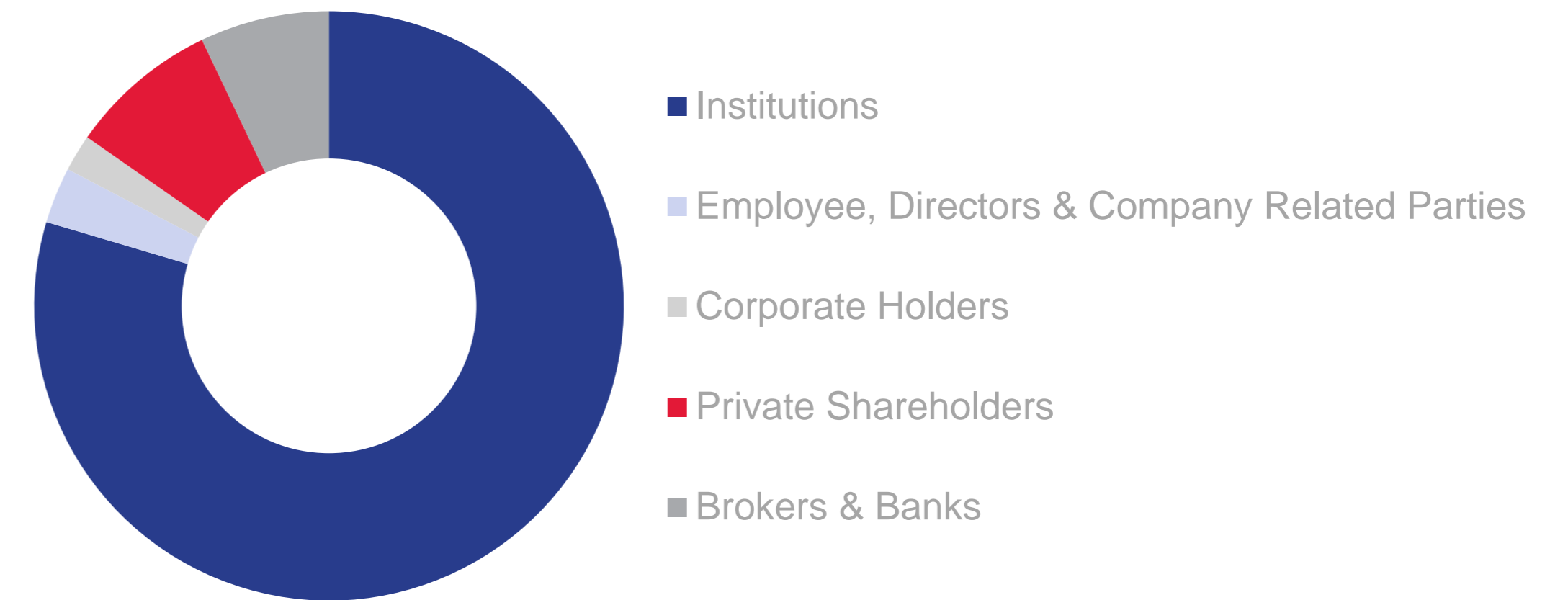
- Non-Executive Director
- Appointed to the Board 1 July 2015

Company Snapshot

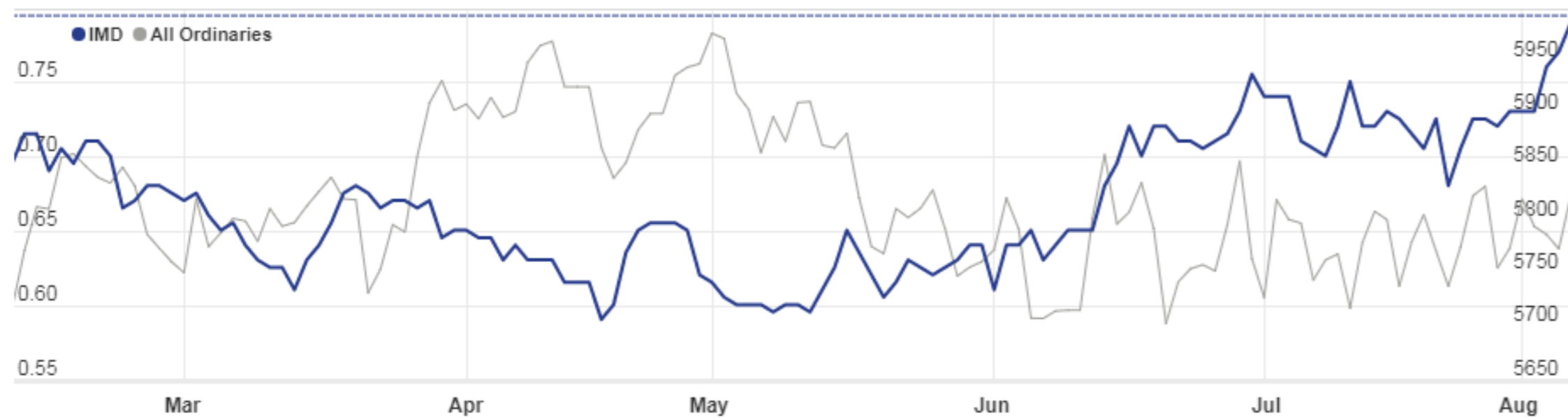
Corporate Information

ASX Listed		IMD
Share Price (30 June 2017)	A\$	0.76
Issued Shares	m	367.5
Market Cap (30 June 2017)	A\$m	279.3

Share Register Analysis of top shareholders as at 30 June 2017



Share Price Performance



Substantial Shareholders – June 2017

	Shares (m)	%
Fidelity Investments	36.5	9.9
Perennial Value Management	34.9	9.5
Wilson Asset Management	23.2	6.3
Tribeca Investment Partners	22.7	6.2
Perpetual Investment Management	18.4	5.0

Global Leader in Exploration & Mining

Economies of scale

Scale and efficiency that comes from being the leading provider of subsurface intelligence solutions to the exploration and mining markets globally

Leading brands and strong reputation

AMC and REFLEX are the world's leading brands with strong market share and a first class reputation for innovative solutions and reliable supply

Barriers to entry

High barriers to entry due to specialised knowledge, in-field personnel, global reach and product/service complexity

Market leadership in technology

Market leadership in technology and innovation. Through the cycle investment in R&D and innovation. R&D centres of excellence in California and Australia.

Strong client relationships

Strong and longstanding client relationships with service providers and resource companies

Strong balance sheet

Clean balance sheet with net cash position

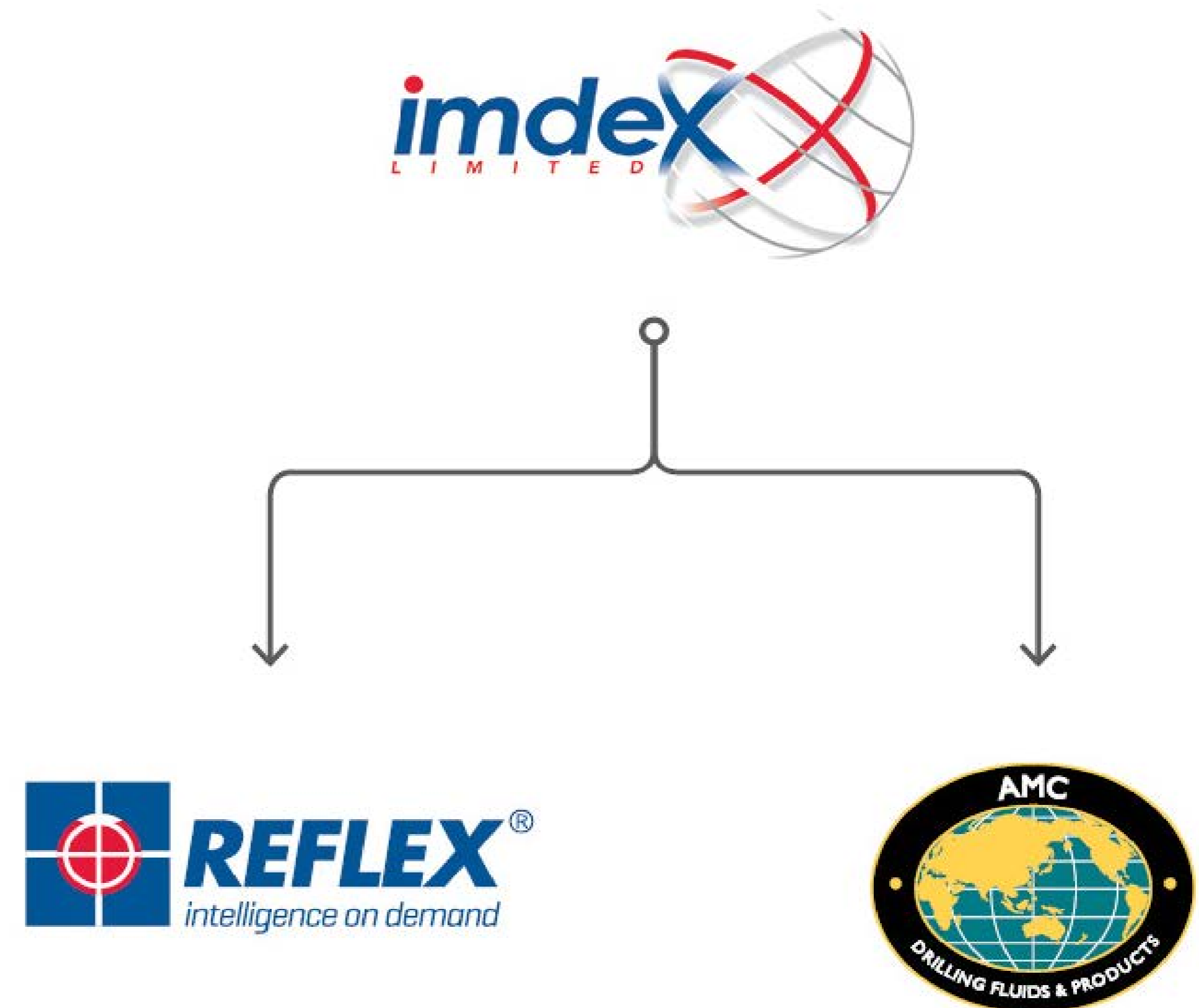
Global footprint/connectivity

Unrivalled scale, facility footprint and market presence and connectivity to service clients in multiple jurisdictions regionally and globally

Substantial competitive advantage

Simple Scalable Structure

- Dominant within minerals industry – strong brands and market share
- **REFLEX**
 - Downhole Navigation
 - Structural Geology
 - In-field Geoanalysis
 - Driller Operable Geophysics
- **AMC**
 - Drilling Optimisation



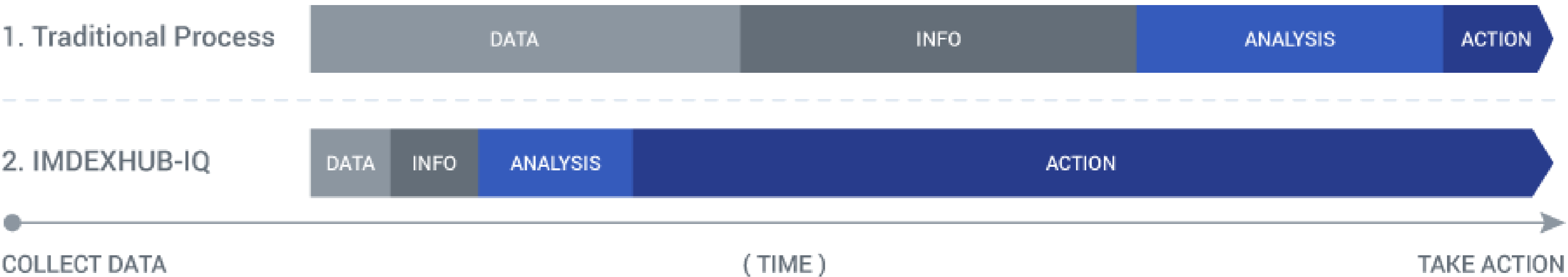
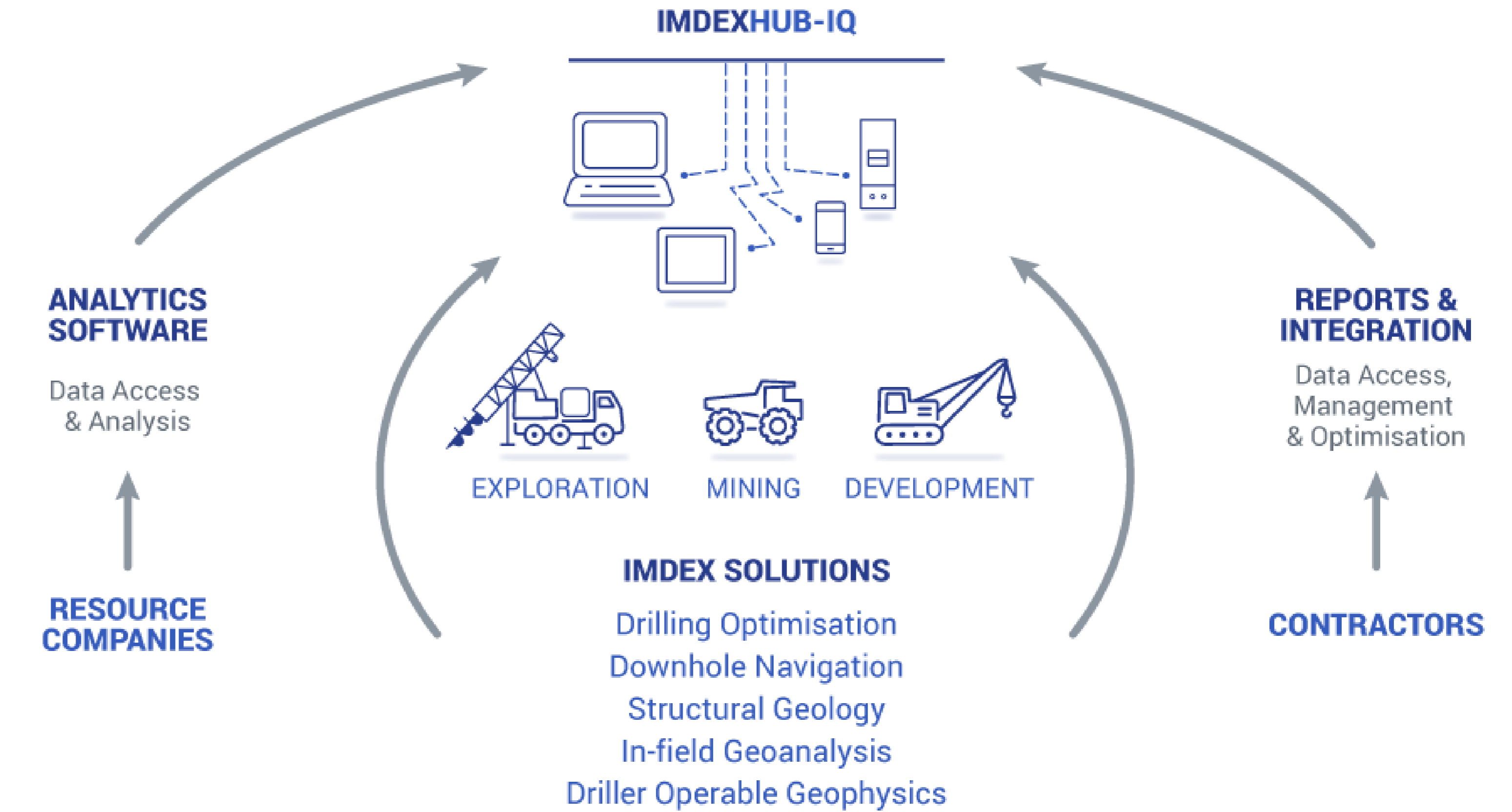
Leading Technologies & Solution Sets

Our Strengths:

- World-class R&D facilities and internal capabilities
- Connectivity IMDEXHUB-IQ
- Solutions for exploration, mining and development

Client benefits:

- Chain of custody
- Quality data
- Timeliness
- Streamlined processes

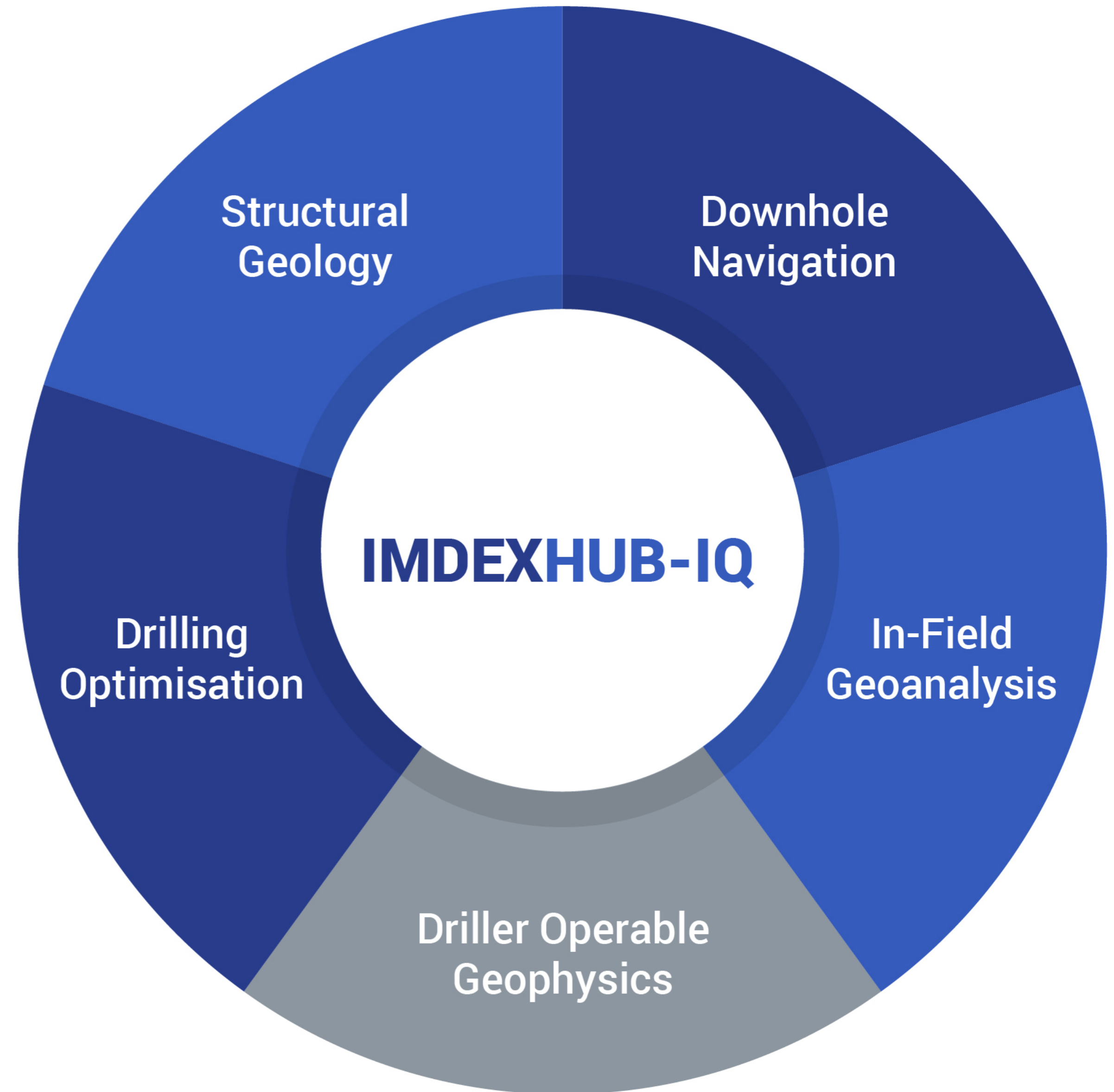


Imdex Solution Sets

Our solution sets simplify the process of identifying and extracting what is below the earth's surface for drilling contractors and resource companies.

Together our technologies provide geological information in real-time supporting critical decision making from exploration to production.

Our products and technologies can assist clients to control their costs and increase their productivity by providing end-to-end solutions across the full mining life cycle.



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