imdex.com

For personal use only

IMDEX™

Annual Report 2024

© IMDEX Limited 2024

Our purpose as a leading global mining-tech company is to efficiently and sustainably unlock the earth's value.

We are uniquely positioned to enable customers to find, define and mine orebodies with precision, confidence and at speed.

For personal use only



For personal use only

Why We Deliver

A strong core business with a clear objective to outperform industry market conditions

Opportunities to strengthen core business via leading technologies and integrated IMDEX solutions

New business growth via Digital and IMDEX Mining Technologies business units

A strong financial platform with quality revenue and resilient earnings

Disciplined cost control and strong cash generation

Established global presence and customer network

Market leading technologies with unique defendable IP

A commitment to targeted R&D to maintain technical leadership

Integrated solutions that are applicable across the mining value chain

The ability to make acquisitions or collaborate with industry partners to complement existing product offering

An experienced and diverse leadership team with world-class geoscience capabilities

A low carbon footprint and opportunities to enhance the sustainability of operations for customers



About This Report

This Annual Report provides a summary of Imdex Limited's operations and financial performance for the 2024 financial year (FY24) from 1 July 2023 to 30 June 2024.

Download a copy of our FY24 Annual Report or past reports

Our Corporate Governance Statement discloses the extent to which we have complied with the Australian Securities Exchange Corporate Governance Council's 'Corporate Governance Principles & Recommendations – 4th edition'.

View Corporate Governance here

Unless otherwise stated, references to 'IMDEX', the 'Group', the 'Company', 'we', 'us' and 'our' refer to Imdex Limited and its controlled entities. References to a year are to the financial year ended 30 June and references to dollar figures are in AUD currency.

Forward Looking Statements

This report may contain forward looking statements. Further information can be found on page 85 of this report.

Further Information

Questions or feedback regarding our Company are always welcome. Please contact Kym Clements - IMDEX Investor Relations at kym.clements@imdexlimited.com

For personal use only



IMDEX BLASTDOG™



For personal use only

For personal use only



Contents

Business Overview

About IMDEX 9
Financial Highlights 12
Strategic Highlights 14
ESG Highlights 15
Chairman's Address 16
Board of Directors 20
MD & CEO Review of Operations 22
Executive Leadership Committee 30

Financial Performance

Financial Summary 34
Revenue Growth 35
EBITDA 38
Disciplined R&D Capital Allocation 39
Disciplined Capital Management 41
Strong Balance Sheet 42

Operating Environment and Outlook

FY24 Operating Environment 44

Growth Strategy and FY25 Focus Areas

FY25 Focus Areas 45
Growth Strategy 46

Directors' Report 48

Remuneration Report 56

Financial Statements 76

Shareholder Information

Corporate Information 130
Top 20 Largest Shareholders 131
Key Announcements 132
Annual General Meeting 134
Corporate Calendar 134
Share Registry Enquiries 134

Company History 135

Forward Looking Statements 137

For personal use only

© IMDEX Limited 2024



For personal use only

BUSINESS OVERVIEW

About IMDEX

IMDEX is a leading global mining-tech company that enables drilling contractors and resource companies to find, mine and define orebodies with precision, confidence and at speed. Our integrated solutions include a broad range of drilling optimisation products, rock knowledge sensors and real-time data and analytics. This offering is commodity agnostic and can be applied across the mining value chain.

Our **four corporate values** underpin our actions and help guide our decision making.



Global Game Changers

Our rich global experience and diverse thinking drives all development within IMDEX. It enables us to solve unique problems for global customers reducing environmental and social impacts to shape a better global industry. We reduce the environmental impact of our activities to shape a better global industry. We embrace flexible thinking for the benefit of our people, customers and the societies in which we operate. We serve our customers globally by leveraging our diverse teams and enabling inclusive decision making. We connect our expertise to customers to add values.



Forever Curious

We believe in shaping the future of mining through the relentless pursuit of technologies and services that question the status quo, address our customers' challenges and set new benchmarks for what can be achieved in our industry. We listen to our people and customers to develop new technologies. We step up and challenge the status quo. We give our people the space to be curious and create. We are informed by industry trends to be open to new ideas.



Go Beyond

We are passionate about creating positive customer experiences that deliver successful outcomes for our customers now and into the future. We achieve this by working in partnership with our customers, actively listening to their needs and delivering genuine value through efficient solutions. We optimise our customers' experience. We place our customers' needs first and foremost, delivering on our promises. We encourage customer ownership and involvement. We create value for our customers through collaboration and innovation.



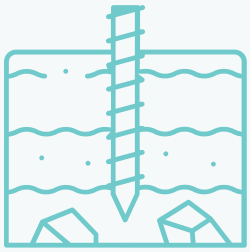
Together We Thrive

We are a global team of diverse and talented people, who empower each other to be our best selves. We harness our strengths by combining our knowledge across boundaries in a positive and accountable workplace. We hold each other accountable and take ownership for our actions. We advocate for the safety and wellbeing of our people in everything we do. We recognise and acknowledge each other's successes. We back each other as a united team, by sharing learnings and expertise between departments and across borders.

For personal use only

Our Integrated Offering

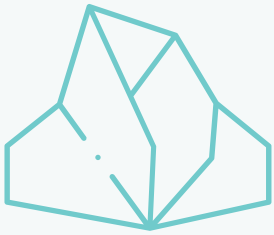
Our integrated solutions fit within the following three broad categories: **Drilling Optimisation Products, Rock Knowledge Sensors, and Real-time Data & Analytics.** Our focus is on providing solutions that combine products and services from each of these categories to deliver greater productivity and value for customers.



Drilling Optimisation Products

A suite of products that enhance drilling **productivity** while improving **safety** and the impact on the **environment:**

- Drilling fluids
- Solids removal units
- Rig alignment technologies
- Directional drilling technologies



Rock Knowledge Sensors

Best-in-class sensors that **originate critical data** on the four elements of rock knowledge: location, grade, mineralogy, and texture. The combined offering provides customers greater choice and the ability to match the right sensors to the right geological program.

- Down hole survey sensors
- Core orientation sensors
- Gamma logging sensors
- Structural orientation sensors



Real-Time Data & Analytics

A secure cloud platform and market leading geoscience analytical software to **enrich data** and enable real-time decisions to be made further upstream:

- Devico survey data management system (DeviCloud)
- Krux drilling analytics software
- Cloud-based data collection and validation platform
- Advanced reporting software
- Geoscience analytics software
- Interpretive mineralogy software
- 3D visualisation software

For personal use only

Our Established Global Business

Our global presence is unrivalled. This presence provides a compelling opportunity to embed real value for customers and maximise revenue and earnings for IMDEX.

We support customers in more than **100 countries and have 26 IMDEX facilities,** together with warehouses and calibration centres in key mining regions of the world. Our Head Office is located in Balcatta, Western Australia.

During FY24, we completed the operational integration of **Devico,** including its four facilities and a world-class R&D and manufacturing facility in Trondheim, Norway. This facility and its team of engineers, complement our existing capabilities in California and Australia. The acquisition of Devico significantly strengthens our core business and global presence, particularly in Europe.



Our Customers and Industry Partners

Our long-standing customer base includes large drilling contractors and resource companies within the global minerals industry. We are creating a collaborative ecosystem, where we partner with all customers to optimise orebodies and support resource stewardship.

For personal use only

Financial Highlights

$445M
GROUP REVENUE UP 8%

Up 7% on a constant currency basis
(FY24 $445.3m v FY23 $411.4m)

$131M
EBITDA NORMALISED[1] UP 7%

Up 3% on a constant currency basis
(FY24 $130.7m v FY23 $122.6m)

29%
EBITDA NORMALISED[1]

Maintained baseline margin while investing in growth
(FY24 29.4% v FY23 29.8%)

$56M
NPATA[2] NORMALISED[1]

Normalised effective tax rate of 31%
(FY24 $55.6m v FY23 $56.8m)

$70M
DEVICO REVENUE UP 13%

Revenue synergies running ahead of targets
(FY24 $69.9m v FY23 $61.3m)[4]

96%
CASH CONVERSION

Strong working capital discipline
(FY24 96% v FY23 82%)

$35M
NET DEBT[3]

Robust balance sheet with net leverage of 0.3x
(FY24 $35.0m v FY23 $64.9m)

30%
Dividend Payout Ratio

2.8cps full year dividend
(FY24 2.8cps v FY23 3.6cps)

For personal use only

[1] Normalised to exclude significant items including Devico integration and organisational redesign costs ($10.5m) plus MAGHAMMER impairment costs ($7.4m)

[2] Excludes after tax impact of intangible asset amortisation charge from acquisitions, tax effected at 30%

[3] Cashless external borrowings (excluding lease liabilities)

[4] Revenue for comparable period (4 months actuals of $20.6m plus 8/12 of CY22) was $61.3m

OUR GROUP REVENUE OF $445.3 MILLION MARKS ANOTHER RECORD FOR OUR COMPANY.

Paul House
Managing Director &
Chief Executive Officer

For personal use only

IMDEX ACTx™

Strategic Highlights

During FY24, we continued to invest in our core business growth including technology leadership, the integration of Devico sensors and directional drilling services and the expansion of our integrated solutions.

Within our new business growth, we supported our Datarock and Krux investments, while developing our IMDEX Mining Technologies business.

Core Business Growth

Technology Leadership

- Release of IMDEX HUB-IQ™ connected ACTx™ and OMNIx™
- Sensor ARPU up 7%
- 10% uplift in customers upgrading to higher-end survey technologies[1]

Integrated Solutions

- 48% of top 250 customers have >3 IMDEX products, up from 46%
- Directional drilling projects expanded into USA, Africa and Australia leveraging IMDEX network
- Consolidation of fluid products with increasing gross margins

New Business Growth

Digital Busines

- 28% of Sensor & SaaS revenue is IMDEX HUB-IQ™ connected
- IMDEX HUB-IQ connected customers up 10%
- Enabled connection of Devico sensors to IMDEX HUB-IQ™
- Krux Analytics and Datarock leveraged IMDEX global network and doubled SaaS activity

IMT Business

- Additional installed BHS™ sites and a strong pipeline of trials planned
- Increased penetration to underground production hole survey market
- BLASTDOG™ commercial trials on track with additional sites in pipeline for FY25

[1] In line with strategy to transition customers to advanced solutions that deliver greater value

Percentages and metrics compared to FY23

Statistics include Devico

Average Revenue Per Unit (ARPU), BLAST HOLE STABILIZER (BHS™), IMDEX Mining Technologies (IMT)

For personal use only

ESG Highlights

We consider ESG through two distinct lenses:
(1) Inside our business and the practices that we can control to ensure we are setting the right targets and continuously improving for our people and our planet; and **(2) Outside IMDEX** and how we can leverage our research and development capabilities to enhance the sustainability of our customers' operations and the communities in which they operate.

We set our annual sustainability targets within five focus areas: people, innovation, the environment, society and governance. Further information will be provided in our FY24 Sustainability Report, which will be released on 14 October 2024.

In accordance with the requirements of the Workplace Gender Equality Act 2012, IMDEX Limited lodged its annual public report with the Workplace Gender Equality Agency on Wednesday, 26 June 2024.

People

- Sustained a high safety engagement and performance with a growing field-based workforce[1]
- First IMDEX DE&I survey highlights respect, wellbeing and a culture of care within IMDEX
- Scoped ESG Awareness Training module
- Boosted Gallup Employee Engagement by +0.07 to 3.88 points

Innovation

- Reduced weight and length of OMNIx™ running gear by 21% and 53% respectively
- Underground survey deployment solution to reduce working from heights

Environment

- Achieved 95% recyclable packaging for drilling optimisation products
- Achieved 95% reusable packaging for rock knowledge sensors

Society

- Established Community Engagement Policy
- Launched Global Volunteering Program
- Better Together diversity and inclusion workshops attended by >400 employees

Governance

- Welcomed Tracey Horton AO as non-executive Director and Paul House as Managing Director
- Sustainability Board Committee established
- Expanded modern slavery training to broader stakeholder group
- Updated third party due diligence system implemented

[1] LTIFR of 1.27 and TRIFR of 3.80

ESG – Environmental, Social and Governance

For personal use only

Chairman's Address

Dear fellow shareholders,

On behalf of the IMDEX Board of Directors, I am delighted to present the Company's Annual Report for the 2024 fiscal year (FY24).

The highlight of FY24 has been IMDEX's ability to deliver strong performance in a declining market while successfully integrating Devico, a sizeable and transformative acquisition. Thanks to the dedication of the IMDEX and Devico teams, the integration proceeded smoothly, and this is clearly reflected in our results.

Financial Performance

IMDEX achieved record revenue of $445.3m, an 8% increase over FY23. Normalised EBITDA reached $130.7m, a 7% uplift from the previous year. Other notable highlights include our robust cash flow and disciplined capital deployment.

Safety & Wellbeing

The Board and Executive are focused on maintaining a safety culture globally. Unfortunately, three incidents occurred in the latter part of the year, impacting the Company's safety performance. IMDEX's Lost Time Injury Frequency Rate was 1.27, and its Total Recordable Injury Frequency Rate was 3.80, up from 0.77 and 0.42, respectively, in FY23.

It is important to note that IMDEX's safety performance continues to rank at the forefront of its industry. The Board and Executive remain focused on ensuring all employees remain safe and continue to invest in our safety culture.

Strategy Execution

IMDEX's ability to deliver on its growth strategy while prioritising the integration of Devico was exemplary. Within the Company's core business, IMDEX successfully released new and next-generation technologies and advanced its integrated offerings, including Devico's sensors and directional drilling services. It was also gratifying to see real momentum and progress within our new growth businesses, Digital and IMDEX Mining Technologies.

Our strategic investments in Krux Analytics and Datarock are progressing well and complement our 'best-in-breed' technologies. Similarly, commercial trials with IMDEX's suite of products within IMT are progressing well and remain an exciting opportunity for meaningful future returns that are less subject to cyclical themes.

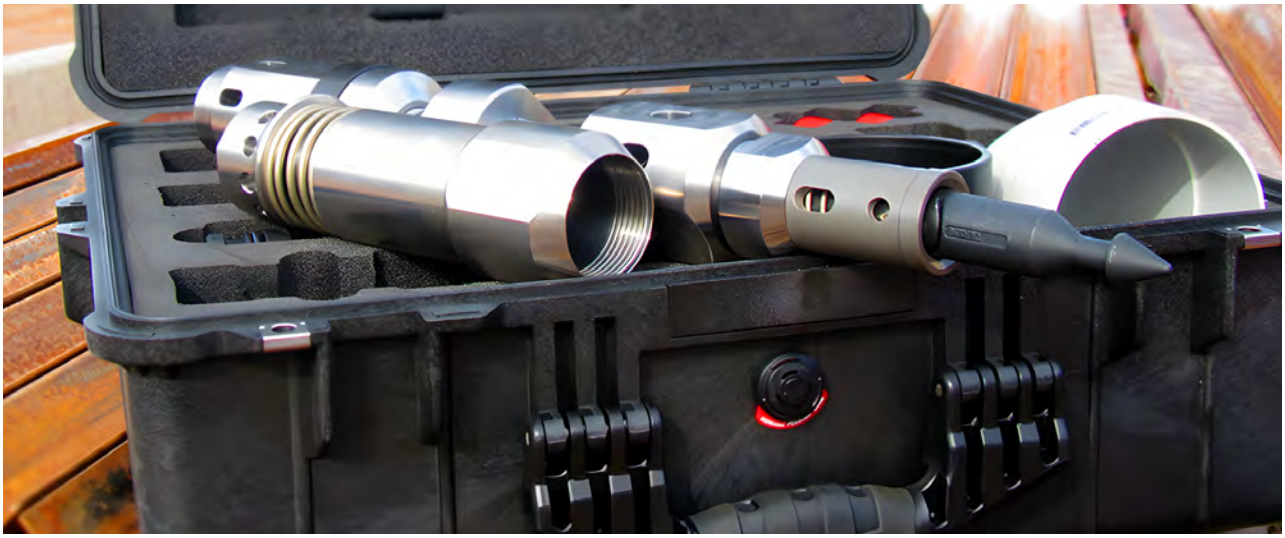
For personal use only



Devico DeviAligner™

For personal use only

For personal use only



Sustainability

During FY24, we established a Sustainability Board Committee which is gaining momentum and reflects our commitment to sustainable practices and enhancing ESG-related disclosures. Notable achievements include commercialising next-generation products to enhance safety, achieving 95% recyclable and reusable packaging, expanding modern slavery training, and establishing IMDEX's Community Engagement Policy and Global Volunteering Program. It is pleasing to note that this program is garnering great interest across IMDEX.

Disciplined Capital Management

IMDEX's disciplined approach to capital management remains steadfast and a key focus. Key elements include maintaining a strong balance sheet, investing in growth initiatives to drive innovation, and sustaining a 30% NPAT dividend payout ratio for shareholders.

During FY24, IMDEX continued accelerated term debt amortisation and increased its investment in growth initiatives. The Board was pleased to pay an interim fully franked dividend of 1.5 cents per share and declare a fully franked final dividend of 1.3 cents per share.

A Talented Collaborative Team

As Chair, I am pleased with the evolution of the Board and Executive Leadership Committee. Each member continues to display a high level of professionalism and commitment. It is indeed a pleasure working alongside you all.

In November 2023, we welcomed Tracey Horton as a Non-Executive Director. Tracey's extensive Board experience, exposure to emerging technologies, and strong finance and governance capabilities complement our Board's existing diversity and strengths.

For personal use only

During FY25, Tracey will assume the Chair of the Audit, Risk, and Compliance Committee, while Sally-Anne Layman will assume the Chair of our Remuneration and Sustainability Board Committees.

In March, Paul Evans announced his retirement, effective late calendar 2024. The Board sincerely thanks Paul for his 18 years of service, guiding IMDEX through various market conditions to become the leading global mining-tech company it is today. Following an extensive search, Linda Lim, IMDEX's current Global Head of Finance, will be appointed CFO effective 1 January 2025. Linda's strong credentials and Paul's guidance will ensure a smooth transition.

Looking to FY25

For the balance of FY25, the Board and Executive Leadership team will be acutely focused on the safety and well-being of our employees and disciplined performance delivery. IMDEX is in its strongest position to drive sustained growth, and we look forward to another successful year.

Thank you for your continued support.

IMDEX's ability to deliver on its growth strategy while prioritising the integration of Devico was exemplary.





Anthony Wooles
IMDEX Chairman

Board of Directors

For personal use only



Mr Anthony Wooles

Non-Executive Chairman

Appointed July 2016

Expertise:
Financial and capital markets and strategic marketing



Mr Paul House

Managing Director and CEO

Appointed CEO in July 2020 and Managing Director in March 2024

Expertise:
Management, operations, strategy and governance



Ms Sally-Anne Layman

Non-Executive Director

Appointed February 2017

Expertise:
Exploration, mining and finance



Ms Trace Arlaud

Non-Executive Director

Appointed February 2021

Expertise:
Mining engineering, geology and geophysics



Mr Uwa Airhiavbere

Non-Executive Director

Appointed December 2022

Expertise:
Digital transformation, Digital 4.0 and the resources sector



Ms Tracey Horton AO

Non-Executive Director

Appointed November 2023

Expertise:
Corporate strategy, economics, finance and accounting

For personal use only

Our Board has extensive professional expertise, business experience and knowledge of the mineral exploration, mining, and technology industries. It also has considerable experience within capital and financial markets and digital transformation.

Members of the Board are well respected in these arenas and play an active role in our Company's strategic planning.

During FY24, Ivan Gustavino retired from the Board following our Annual General Meeting on 19 October 2023.

Mr Gustavino was appointed to IMDEX's Board as a Non-Executive Director on 3 July 2015. Over his 8 years of service, he has provided valuable guidance and advice to the Company.

On 13 November 2023, we were pleased to announce the appointment of Tracey Horton AO, as a Non-Executive Director of IMDEX's Board.

Ms Horton has critical skills in corporate strategy, change management, economics, finance and accounting. She also has broad international experience having lived and worked in Australia, the USA, Canada, and the UK. Now based in Perth, Ms Horton will support IMDEX's continued growth as a global mining-tech company.

Ms Horton has extensive Board experience within diverse industries for public and private companies, together with government and not-for-profit organisations.

Ms Horton's most recent executive role was Winthrop Professor and Dean of the University of Western Australia Business School. As a faculty Dean, she led the Business School comprising circa 5000 students and 500 staff.

Other select career highlights include:

- Advising senior executives and Board members of major clients including Alinta, Iluka Resources and Woodside as one of nine Australian Directors of Poynton and Partners and GEM Consulting.
- Leading multiple large teams to solve business challenges for clients including Nike, The Gap, Microsoft, Pacific Gas & Electric and Baxter Healthcare at Bain & Company, Inc.
- Conducting analysis and research of business conditions including business finance and international trade and finance as an economist with the Reserve Bank of Australia.

In March 2024, we were pleased to announce the appointment of IMDEX CEO, Mr Paul House, to the Board as Managing Director. This appointment recognises Mr House's achievements and vision for the future of IMDEX.

Key Priorities for the Board during FY24 included:

- IMDEX's safety culture and building on the quality engagement as first measured in FY23
- Disciplined integration of Devico to realise sustainable growth from FY25
- Maintaining an efficient business model for IMDEX's next level of growth
- Capital management
- Monitoring global market conditions

During FY25, the Board will focus on:

- Protecting our people
- Building our capability to support core and new growth businesses
- Ensuring disciplined performance delivery from the integrated IMDEX and Devico businesses

Managing Director and Chief Executive Officer

Review of Operations

Dear Shareholders,

The past 12 months have been remarkable for IMDEX. Our record performance, coupled with the seamless integration of Devico into our global operations, has yielded significant revenue and cost synergies ahead of schedule. Throughout this period, our strategy remained on course, with the next generation of our core technologies coming to market and our growth business investments progressing as planned.

To execute such a significant body of work while navigating both the substantial decline in exploration activity, and a high inflationary cost environment, has been a challenge. It is a testament to the high calibre and culture of the IMDEX team we have around the world, and the quality of the business model. It is one thing to claim that we can build a business to weather the cyclical impacts of our industry, yet quite another to deliver it. The FY24 year has been a thorough test of that claim, and our results are a validation of the hard work done to make that a reality.

I am delighted to share with you here, in this, your annual report, how we continued to build on the strategic foundations laid in previous years.



For personal use only

FY24 Financial Highlights

Our Group revenue of $445.3m was another record for our Company.

This achievement is even more significant given the global downturn in exploration expenditure, with activity contracting by **24%.** Against this challenging backdrop, our revenue growth of 8%, bolstered by a **$69.6m contribution from Devico,** is extraordinary.

Subdued exploration activity was evident throughout FY24, particularly in the second half. Regions most impacted were Canada and Western Australia. Despite these conditions, the strength of our core business enabled us to outperform market conditions, winning significant market share in many regions. This success is a testament to our technology leadership and the global network we can service.

Our five-year revenue CAGR of 12.8%, compared to the benchmark S&P exploration expenditure for nonferrous metals with a CAGR of 5.6%, demonstrates our continued ability to outperform the market.

Our normalised EBITDA of $130.7m, with an EBITDA margin of 29.4%, which is in line with FY23 at 29.8%. Achieving this margin in an inflationary environment and declining market activity is particularly pleasing and reflects disciplined cost management, synergies from the Devico acquisition, and expanded gross margins in both sensors and fluids.

On a constant currency basis, revenue and earnings grew by 7% and 3%, respectively.

Most notably, we utilised a $120m debt facility to finance our acquisition of Devico. We made significant strides in accelerating the pay down of this four-year facility, thanks to the strong operating performance of the combined businesses and disciplined working capital management. By the end of FY24, 38% of the total debt had been paid down.

Our capital management policy remains unchanged. Alongside accelerated debt repayment, we maintain a normalised NPAT dividend payout ratio of 30% and continue to invest approximately 8% of our revenue in R&D. This investment throughout exploration cycles is crucial for future revenue growth and our continued outperformance in FY24 validates this strategy.

For personal use only

Strategic Highlights

Our core business growth strategy focuses on technology leadership and integrated solutions for our customers, now including Devico sensors and directional drilling.

In our emerging Digital and IMDEX Mining Technology (IMT) business units, we leverage our core competencies around sensors to develop applications for the mining production market. We enhance these capabilities with geoscience analytics, AI, and computer visualisation.

Technology Leadership

Within our core business, the expansion of our survey technology stack has led to an increase in DeviGyros within our network – a combination of market share gains, and survey technology stack upgrades. In addition, our new OMNIx™ gyros are the fastest growing sensor in our fleet, a testament to the sensor's new and improved running gear making the user experience safer and faster. In the second half of this year, we released our next generation IMDEX HUB-IQ™ connected core orientation sensor, the ACTx™. These advancements contributed to a 7% increase in our sensor Average Revenue Per Unit (ARPU) in FY24.

Integrated IMDEX Offerings

Our integrated solution strategy continues to gain momentum, supported by the inclusion of Devico directional drilling technology. We have successfully expanded into the USA, Africa, and Australia by leveraging the IMDEX sales network. Currently, 48% of our top 250 customers utilise more than three of our products, up from 46% in FY23.

Digital Business

Within our Digital Business, highlights include:

- Approximately **28%** of our Sensor & SaaS revenue is IMDEX HUB-IQ™ connected.
- A **10%** increase in IMDEX HUB-IQ™ connected customers.
- The successful integration of our Devico sensor fleet with IMDEX HUB-IQ™.

For personal use only

Our strategic investments in Datarock and Krux are yielding promising results. Datarock reported a twofold increase in SaaS activity and was recognised as the InvestMETS Start-Up of the Year. This is a great accolade for its team. Similarly, Krux experienced a twofold increase in SaaS activity, securing global contracts with major resource and drilling companies.

IMDEX Mining Technologies Business

Our IMT Business' organic expansion into the adjacent mining production space continues to gather momentum with additional installed BHS sites, increased penetration into the underground survey market and ongoing progress with BLAST DOG™ commercial trials. Importantly, we have a robust pipeline of new trials for IMT technologies planned for FY25.

Regardless of market conditions, IMDEX's strategy, product suite, and addressable market position us to continue outperforming. The results from Devico, Krux, Datarock, and the rapid uptake of new R&D solutions validate this strategy.

I am immensely proud of our global teams for successfully integrating Devico into our operations while delivering on our core growth strategy and responding to challenging market conditions. The operational integration of Devico was completed ahead of schedule in 1H24, unlocking greater savings than anticipated.



IMDEX BLASTDOG™

For personal use only



For personal use only

For personal use only

Sustainability Highlights

IMDEX has operated an ESG working group within the executive leadership team for the past four years. In FY24, we formalised Sustainability as a sub-committee reporting directly to the Board, recognising its increasing importance to our people, shareholders and customers. Our sustainability strategy is centred around five key working groups: **People, Innovation, the Environment, Society, and Governance.**

People: We maintained strong safety engagement and performance, even as our field-based workforce continued to grow. We successfully piloted our first Diversity, Equity, and Inclusion (DEI) measures, respect, wellbeing and a culture of care at IMDEX.

Additionally, we scoped an ESG Awareness Training module for employees and improved our Gallup Employee Engagement score by 0.07 points, bringing it to 3.88.

Innovation: We enhanced the user experience for our core products, making OMNIx™ running gear lighter and developing an underground survey deployment system for BOLT™ to reduce safety risks.

Environment: We increased the percentage of recyclable and reusable packaging for all our products. Over 95% of our Drilling Optimisation Product packaging is recyclable, and over 95% of our Rock Knowledge Sensors packaging is reusable.

Society: We established a Community Engagement Policy, launched our Global Volunteering Program with strong workforce participation, and conducted 'Better Together' diversity and inclusion workshops, attended by over 400 employees.

Governance: We welcomed Tracey Horton as a new non-executive director and expanded our modern slavery training program. We also revised and updated our third-party due diligence system across all global operations.

Further details on our Sustainability approach and FY25 targets will be released in our FY24 Sustainability Report on 14 October 2024.

Industry Outlook

IMDEX seeks to outperform underlying market activity but remains exposed to industry cycles. We focus on four key indicators guiding our industry outlook:

1. The supply shortfall for key commodities.
2. Commodity prices.
3. Exploration budgets for producers and capital-raising activity for juniors.
4. Actual exploration spend, including rig utilisation, project permitting, and drill hole activity.

The supply shortfall for copper and gold, representing about 75% of all exploration activity, is well-documented, with shortfalls projected into the next decade. Long-term demand for cobalt, nickel, and lithium remains strong, driven by decarbonisation goals. This gap should lead to increased commodity prices, driving exploration budgets and capital raising.

We anticipate a resumption of drilling activity, marked by increased rig utilisation and exploration expenditure. Enhancing productivity in the exploration business will be key, and IMDEX is well-positioned to lead in this area. As new projects become more complex, the value of IMDEX solutions to clients increases.

Key Focus Areas for FY25

During FY25, we will remain acutely focused on four key areas.

1. Protecting and developing our people and building capability to support our core and new growth businesses.
2. Investing in Digital 2.5 to scale efficiently and securely, while optimising our cost base for our fluids and digital business.
3. Expanding our integrated solutions and directional drilling within our core business.
4. Continuing to invest in our Digital and IMT businesses for greater recurring and less cyclical revenues over the longer term.

My Thanks to a Talented Team

The culture that our people around the world bring to the workplace is a highlight of our business. Our ability to attract world-class talent to support our growth, both now and in the future, is strong. I extend my thanks to our executive leadership team and all our people globally. It has been a challenging and rewarding year. Above all else, it is my privilege to work with you.

This year, I would like to make a point of expressing my gratitude to Paul Evans, who will step down from his role as CFO at the end of calendar 2024. During my time with the Company, Paul has been a steadfast and trustworthy support. Paul's many achievements and contributions to the growth of IMDEX as a leading global mining-tech company over the past 18 years should be acknowledged. The opportunities we have ahead of us are only possible because of the hard work that has come from the teams that came before us, and Paul has been a figurehead in that journey for nearly 2 decades. I would ask that you join me both in recognising Paul and wishing him well in a life post-IMDEX.

Looking ahead, enhancing productivity in exploration will be a key driver of activity.

As announced on 23 July, our Global Head of Finance, Linda Lim, will transition to CFO. Following a thorough selection process, Linda stood out against a field of quality candidates. Her commitment and dedication to IMDEX has already been evident during her time with us, and Linda's appointment as CFO is a

For personal use only

For personal use only

natural progression for a highly talented individual who will provide great benefits to her team, fellow executives, and shareholders. Importantly, Paul and Linda will work closely together to ensure a seamless transition for our shareholders.

Finally, I would like to thank our Board members for their commitment and guidance. I would particularly like to thank Ivan Gustavino, who made the decision not to seek re-election to our Board of Directors at our FY23 AGM on 19 October 2024. Over Ivan's eight years of service, he provided valuable guidance and advice to our company.

In November 2023, we were pleased to welcome Tracey Horton as our newest non-executive director of the board. Tracey's CV is remarkable, and she brings extensive experience from which we are benefiting.

In late March 2024, I was pleased to be appointed Managing Director. It is a privilege to be part of IMDEX's Board and global team, working with excellent directors and fellow executives as we continue to deliver on our global growth plans.

As Managing Director, I look forward with great enthusiasm to delivering on our growth strategy by continuing to build a global business that rewards our shareholders, customers, and employees.

Our ability to attract world-class talent to support our growth has never been stronger. I extend my sincere thanks to our executive leadership team and all our people globally.





Paul House

IMDEX Managing Director and Chief Executive Officer

Executive Leadership Committee



Mr Paul House

Managing Director and Chief Executive Officer

Time with IMDEX
Joined as Chief Executive of REFLEX in 2017. Transitioned to Chief Operating Officer in 2019 and commenced as Chief Executive Officer in 2020.

Experience
>30 years within the resources and technologies sectors. Lived and worked in a wide range of international markets including the USA, Australia, Africa, India, the Middle East, and Southeast Asia. 14 years with SGS, the world's leading inspection and testing firm, with a dominant presence in the resources geochemistry assay and metallurgy sectors.

Expertise
Management, strategy, operations, corporate finance and governance.

Professional Qualifications
Bachelor of Commerce from the University of Western Australia.

Memberships and Associations
Fellow of the Australian Institute of Management and Graduate Member of Australian Institute of Company Directors.



Mr Paul Evans

Chief Financial Officer

Time with IMDEX
Commenced as Chief Financial Officer and Company Secretary in 2006.

Experience
>35 years within the mining services, media, manufacturing, and telecommunications sectors.

Expertise
Finance, governance and management.

Professional Qualifications
Chartered Accountant Australia and New Zealand.

Memberships and Associations
Fellow of Chartered Accountants Australia and New Zealand and Graduate Member of Australian Institute of Company Directors.



Mr Shaun Southwell

Chief Operating Officer

Time with IMDEX
Joined IMDEX in 2018 as Vice President Asia Pacific and Global Supply Chain Manager, transitioned to Chief Operating Officer in 2020.

Experience
>25 years with Gearhart United – a subsidiary of SGS and a leading designer and manufacturer of oilfield equipment in Australia.

Expertise
General management and all aspects of supply chain including manufacturing, service, fleet management and logistics. The drilling industry and equipment.

Professional Qualifications
Leading Organisational Impact - Melbourne Business School Executive Program.

For personal use only

For personal use only



Mr Shane Plant

Chief Commercial Officer

Time with IMDEX
Joined IMDEX in 2021 as Global Commercial Manager.

Experience
>16 years' experience within the resources and advisory sectors with Asia Pacific the Middle East, Europe and the Americas. 6 years' experience with Weatherford International as Global Commercial Director.

Expertise
Commercial strategy, marketing, M&A and corporate transformations.

Professional Qualifications
Bachelor of Science in Management and Finance from Technological University Dublin.



Dr Michelle Carey

Chief of Strategy

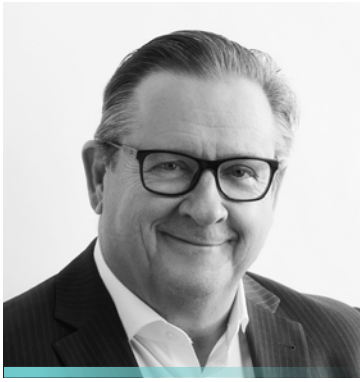
Time with IMDEX
Joined following IMDEX's acquisition of ioGlobal in 2012. Appointed to General Manager of IMDEX Product Development in 2019. Transitioned to Chief Product and Marketing Officer in 2020.

Experience
>25 years in the mining industry. >10 years as a geoscientist in technical and management roles for tier one mining companies. >15 years focusing on mining technology development.

Expertise
Innovation and product development within the mining industry.

Professional Qualifications
PhD in Geochemistry from Monash University.

Memberships and Associations
Member of Austmine Board. Member of the Insead Alumni Association. Member of Datarock Pty Ltd and Krux Analytics Board.



Dr Dave Lawie

Chief Geoscientist

Time with IMDEX
Joined as Chief Geoscientist following IMDEX's acquisition of ioGlobal in 2012. Appointed Chief Geoscientist and Chief Technologist - Mining Solutions in 2015.

Experience
Global positions in exploration geochemistry and R&D with Pasminco and Anglo American before cofounding ioGlobal in 2004.

Expertise
Geochemistry, geometallurgy, innovation, analytics and cloud-based data management and analysis.

Professional Qualifications
PhD in Geosciences and Analytics from the University of New England.

Memberships and Associations
Member of AusIMM, member of Advisory Board UWA Data Institute and member of Centre for Exploration Targeting (CETUWA) Technical Working Group.

For personal use only



Mr John Hickey

Chief Technology Officer

Time with IMDEX
Joined in 2022 as Chief Technology Officer.

Experience
>30 years in oil and gas formation evaluation, drilling tool development and operations with companies including Teleco Oilfield Services, Baker Hughes and APS Technology.

Expertise
Engineering, R&D, business development and field operations globally.

Professional Qualifications
Bachelor of Science in Petroleum Engineering from Penn State and Master of Science in Environmental Management from University of Houston – Clear Lake.



Kiah Grafton

Chief of People

Time with IMDEX
Joined as Human Resources Manager Asia Pacific in 2017. Transitioned to Global Head of Human Resources then Executive General Manager of Human Resources.

Experience
>18 years as a human resources generalist. Broad industry experience including resources, banking, hospitality and not-for-profit sectors for national and global organisations.

Expertise
Strategy, talent acquisition, industrial relations and organisational development.

Professional Qualifications
Bachelor of Business, Human Resources Management & Management, Edith Cowan University.

Memberships and Associations
Graduate Member of Australian Institute of Company Directors and Graduate Member of Chief Executive Women (CEW) Leaders Program.



Michael Tomasz

Chief Legal Officer

Time with IMDEX
Joined in 2021 as General Counsel and Company Secretary.

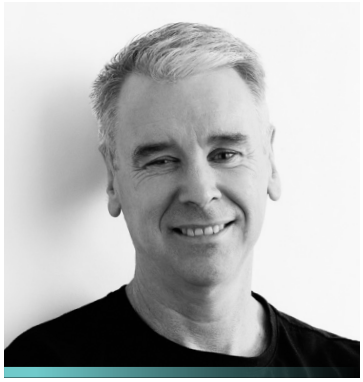
Experience
International experience gained across a wide range of markets, including North America, Asia Pacific, Middle East, Japan, and Europe. Worked for tier one mining company and one of world's largest oilfield services companies.

Expertise
Corporate and commercial law. Corporate governance and dispute resolution. Building collaborative partnerships within the resources sector.

Professional Qualifications
Admitted as a barrister and solicitor in the Supreme Court of New South Wales; admitted as a Solicitor in England & Wales. Master of Business Administration from Curtin University, Bachelor of Laws from Murdoch University, Bachelor of Science (Geology) from University of Western Australia.

Memberships and Associations
AMPLA (Australian Mining and Petroleum Lawyers Association) and ACC Australia (Association of Corporate Counsel).

For personal use only



Wayne Panther

Chief Information Officer

Time with IMDEX
Joined in 2023 as Chief Information Officer.

Experience
International technology experience with Chevron across the resources value chain, from upstream through to downstream, and with Microsoft.

Expexpertise
Technology strategy and execution including data science, software development, and cyber security. A track record in the delivery of large-scale program and portfolios comprising enterprise systems, information management, and infrastructure. Initiation and orchestration of complex, transformational enterprise initiatives.

Professional Qualifications
Bachelor of Commerce and Bachelor of Arts from the University of Auckland.

Memberships and Associations
Graduate Member of Australian Institute of Company Directors

Memberships and Associations
Graduate Member of Australian Institute of Company Directors



I am pleased with the evolution of the Board and Executive Leadership Committee. Each member continues to display a high level of participation and professionalism.

Anthony Wooles
Chairman

FINANCIAL PERFORMANCE

Key Metrics

$m (unless indicated otherwise)	**FY24**	**FY23**	**VAR%**
Revenue	445.3	411.4	8%
EBITDA	112.9	100.5	12%
EBITDA Normalised[1]	130.7	122.6	7%
EBITDA Margin % Normalised[1]	29.4%	29.8%	(0.4%)
NPAT	32.4	35.0	(7%)
NPATA[2] Normalised[1]	55.6	56.8	(2%)
EPSA Normalised[1] (cents)	9.2	12.0	(23%)
EPSA[2] Normalised[1] (cents)	10.9	12.9	(16%)
Pre-Tax Operating Cash Flow	126.5	105.0	20%
Pre-Tax Operating Cash Flow Per Share (cents)	24.8	23.9	4%
Net Assets (at 30 June)	571.3	556.2	3%
Net (Debt)[3] (at 30 June)	(35.0)	(64.9)	(46%)
Full Year Fully Franked Dividend (cents)	2.8	3.6	(22%)
Full Time Employees (at 30 June)	816	851	(4%)

[1] Normalised to exclude significant items including Devico integration and organisational redesign costs ($10.4m) plus MAGHAMMER impairment ($7.4m)

[2] Excludes after tax impact of intangible asset amortisation charge from acquisitions, tax effected at 30%

[3] Cashless external borrowings (excluding lease liabilities)

Strong underlying financial performance benefiting from Devico revenue synergies

2H24 impacted by continued weakness in global exploration activity, partly offset by market share gains

Organisational design, including Devico integration, completed in 1H24. Strategic decision to reinvest savings into business, positioning IMDEX strongly for market upturn

Consistently high cash conversion and accelerated reduction in net debt since Devico completion

Disciplined approach to capital management

For personal use only

Revenue Growth

Stonger business model enables outperformance

Strong performance against declining global exploration activity

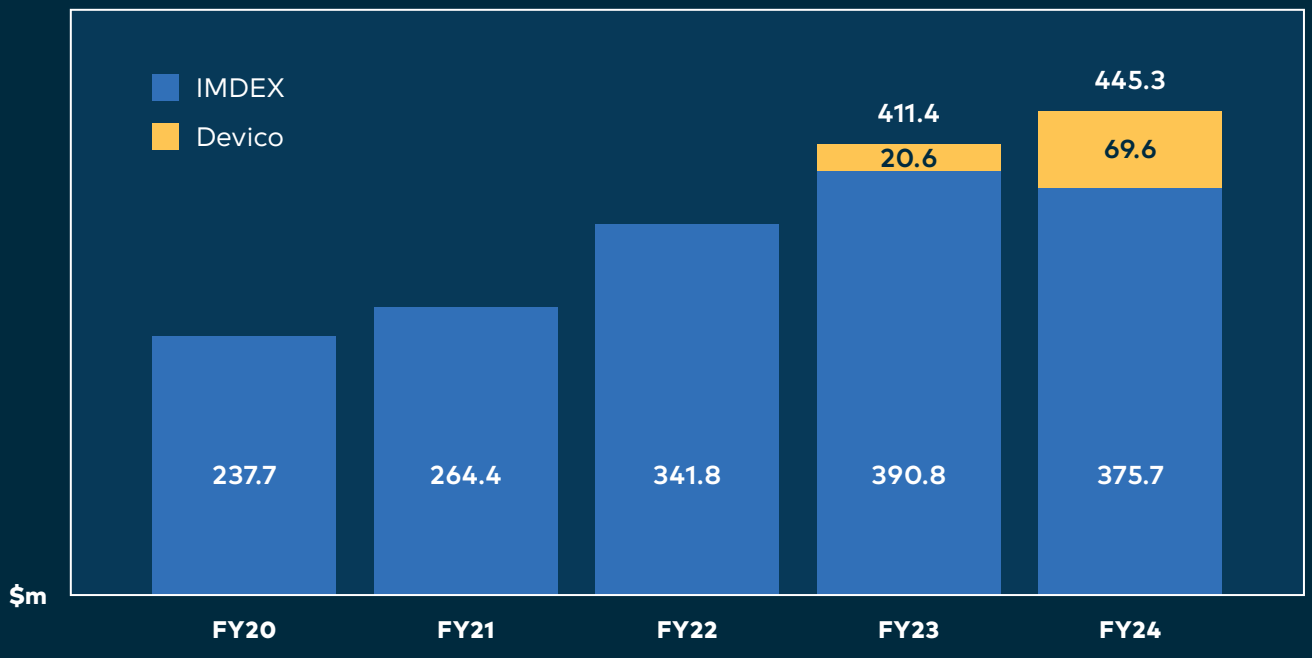
Global exploration budgets down
~5% for CY24[1]

Global exploration drilling declined
~24% on pcp[2] – impacted by high-cost operating environment

FY24 Revenue v FY23 up
8%

5-Year FY Revenue CAGR[3]
12.8%

Sensors & SaaS Revenue 64% up from 60% in FY23



[1] S&P Global Market Intelligence March 2024
[2] S&P Global Market Intelligence by reported drill holes
[3] S&P CY 5-year Exploration Spend CAGR 5.6% v IMDEX FY24 5-year Revenue CAGR 12.8%

For personal use only

Devico Revenue Performance

Synergies ahead of expectations despite softer market conditions

A 15% increase over pcp in Directional Drilling revenue, including expansion in USA, Africa, and Australia

A 12% increase pcp in sensor revenue including the benefits of cross-selling within the IMDEX network

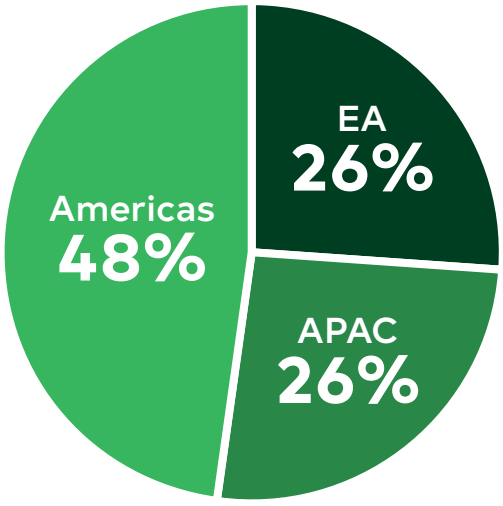
Completed the transition from Devico sensor sales to IMDEX's recurring rental model

For personal use only

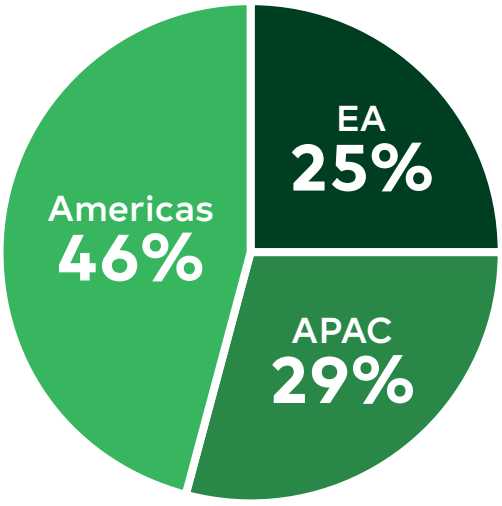
Revenue by region

Unrivalled global footprint with diversified revenue streams

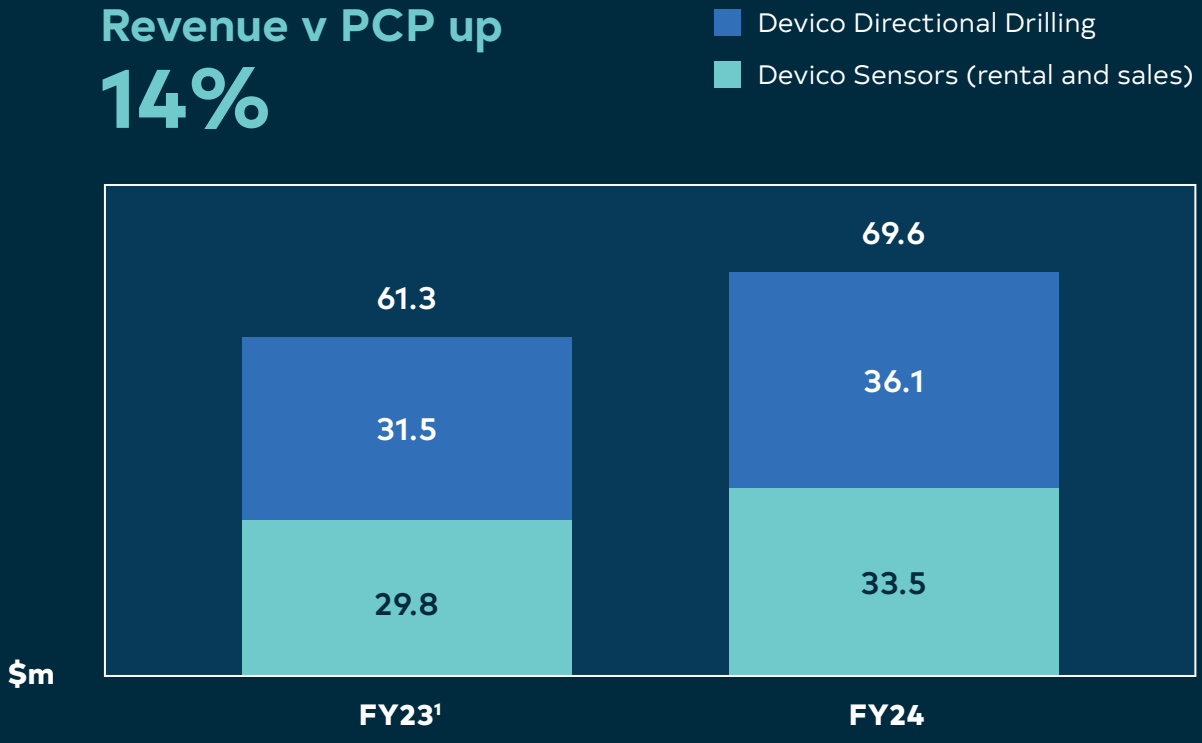
% of FY24 Group Revenue



% of FY23 Group Revenue

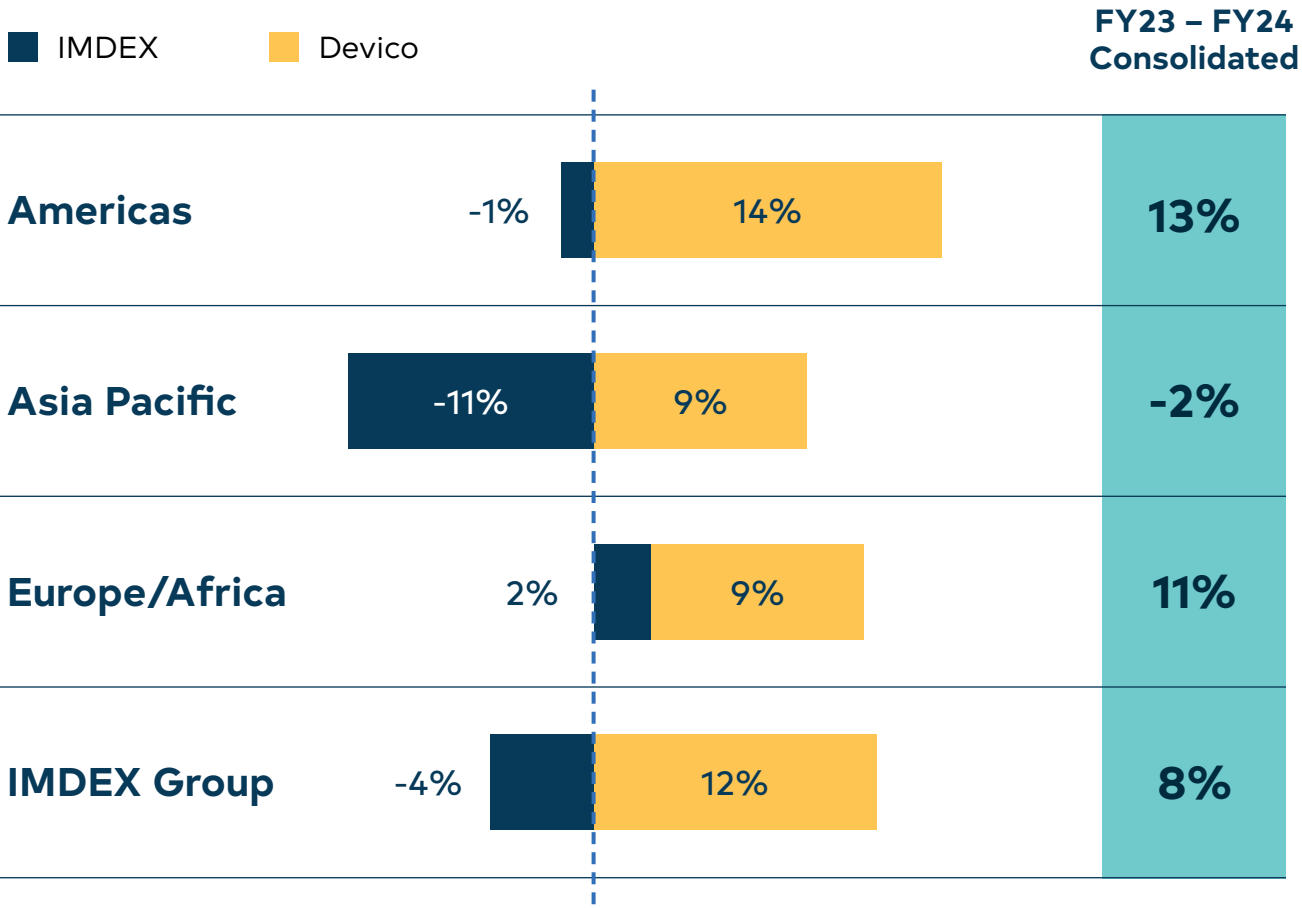


Revenue v PCP up 14%



[1] Revenue for comparable period (4 months actuals of $20.6m plus 8/12 of CY22) was $61.3m

For personal use only



EBITDA

High quality business model demonstrating resilient earnings

Strong cost management with baseline EBITDA margin maintained

Ongoing investment in R&D of ~8% of FY24 revenue with the majority expensed

Ongoing investment in core business growth – integrated solutions and directional drilling

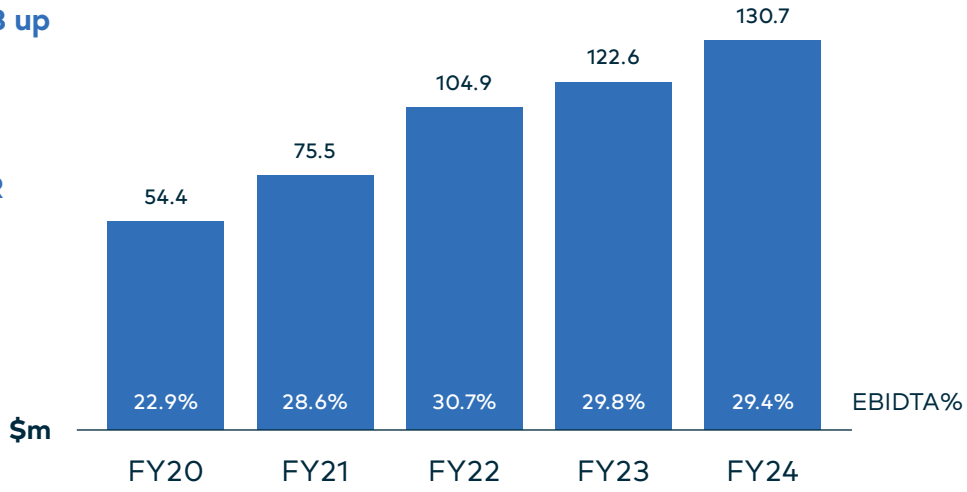
Increased investment in new business growth – Digital and IMT

FY24 EBITDA[1] v FY23 up

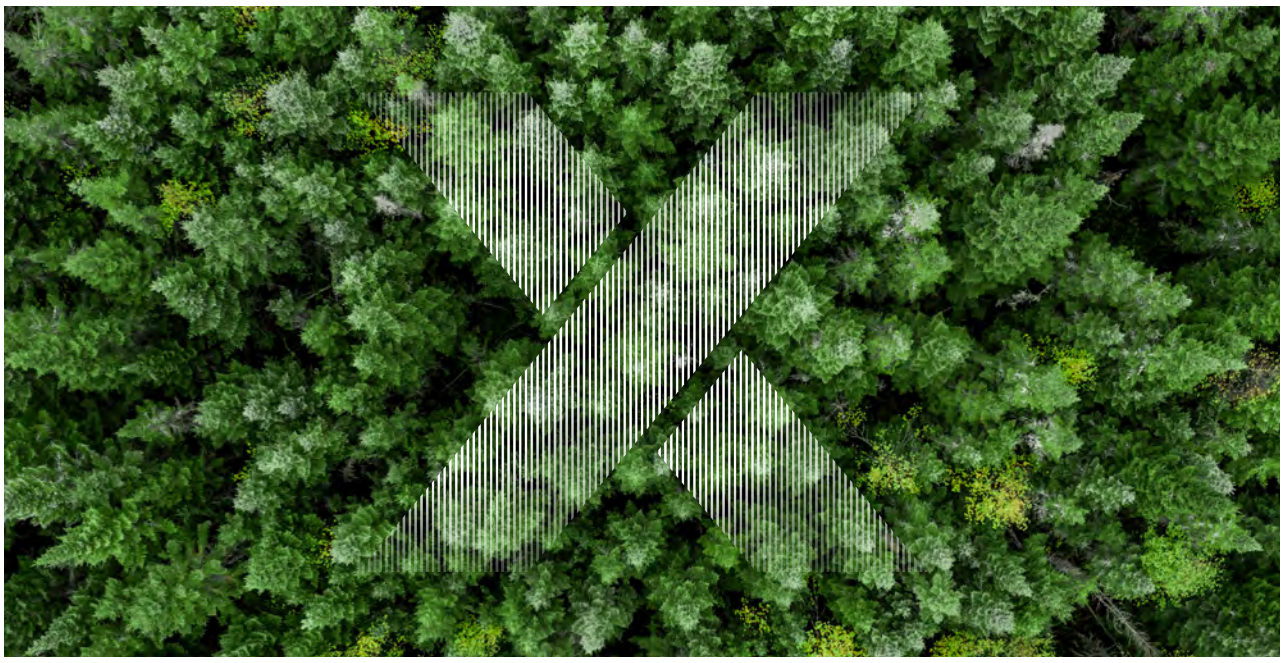
7%

5-year EBITDA CAGR

20.1%



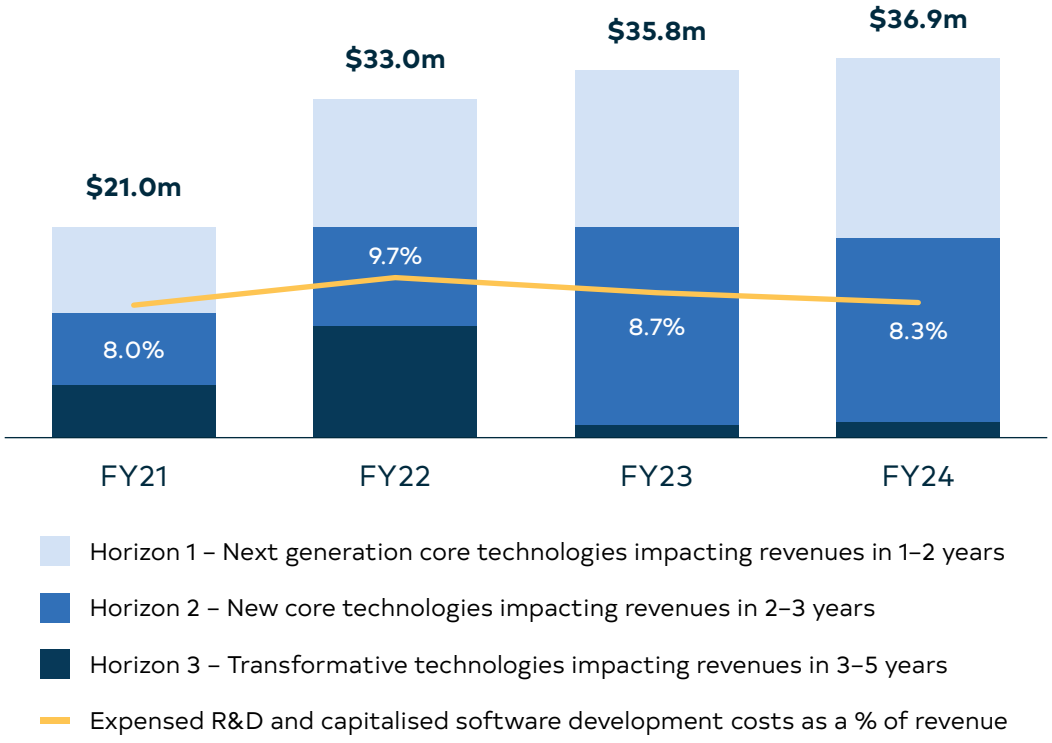
[1] Normalised to exclude significant items including Devico integration and organisational redesign costs ($10.4m) plus MAGHAMMER impairment ($7.4m)



For personal use only

Disciplined R&D Capital Allocation

Total R&D spend ($m)[1]



[1] Following the organisational redesign, total R&D spend now includes product management. Prior years have been restated for comparative purposes.

Expensed v capitalised R&D ($M)

IMDEX is a growth business committed to R&D in all market conditions

All R&D spend is expensed except spend associated with software development which is capitalised

Investment in Horizion 1 increased during FY22-FY24 reflecting the investment in the next generation of our core product portfolio

($m)	FY24	FY23
R&D Expensed	34.4	30.7
R&D Capitalised (software)	2.5	5.1
Total	36.9	35.8

For personal use only



Devico DeviAligner™

For personal use only

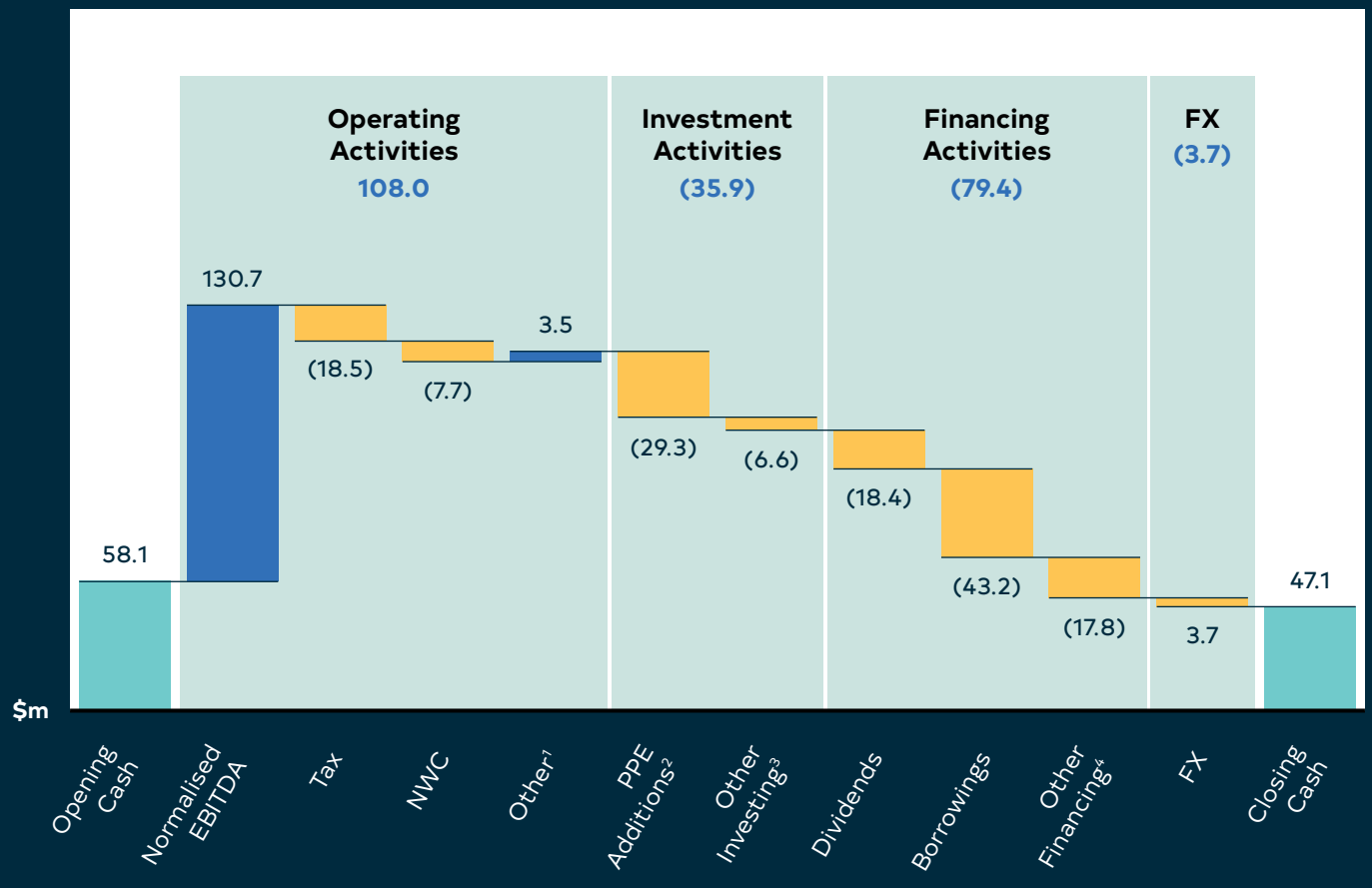
Disciplined Capital Management

Strong cash generation accelerating debt repayment

96% reported EBITDA to operating cashflow conversion (112% pre-tax)

Strong working capital discipline

Net Working Capital (NWC) investment in line with historical trend



[1] Other includes Devico integration costs, interest and non-cash items including provisions, share of associates and FX movements

[2] Principally next generation sensors

[3] Other investing includes software capitalisation ($2.5m) with balance comprising investment in 51.9% owned Datarock and 41% owned Krux

[4] Other financing includes lease payments ($10.0m) and interest ($7.8m)

For personal use only

Strong Balance Sheet

Ability to reinvest in business and growth

Strong free cashflow generation has enabled accelerated debt repayment

Net leverage ratio of 0.3x[1]

Interest coverage ratio of 6x[1]

Devico purchase price accounting finalised

MAGHAMMER IP full impairment (non-cash) consistent with cessation of sale process in 1H24

ROE reflects ongoing investment in long-term sustainable growth for shareholders

$m (unless indicated otherwise)	30 June 2024	30 June 2024
Cash	47.1	58.1
Receivables	90.6	90.1
Inventory	63.0	67.5
Fixed assets	94.2	90.3
Intangibles	414.5	426.8
Investment in associates	11.3	13.9
Assets held for sale[1]	–	7.4
Other Assets	65.5	57.0
Total Assets	**786.2**	**811.1**
Payables	43.9	46.8
Borrowings	82.1	123.0
Other liabilities / deferred tax	88.9	85.1
Total Liabilities	**214.9**	**254.9**
Total Equity	**571.3**	**556.2**
ROE Normalised[1] (%)	8.4%	12.4%
ROCE Normalised[1] (%)	11.3%	11.4%

[1] Normalised to exclude significant items including Devico integration and organisational redesign costs ($10.4m) plus MAGHAMMER impairment ($7.4m) previously an asset held for sale

For personal use only



For personal use only

OPERATING ENVIRONMENT AND OUTLOOK

FY24 Operating Environment and Outlook

For personal use only

While FY24 saw a significant decline in exploration activity, the long-term industry fundamentals remain compelling and are signalling increased activity.

The supply shortfall for gold and copper, which represents ~75% of global exploration activity, is predicted to result in substantial supply shortfalls in the medium to longer term. Similarly, demand for other battery metals is expected to intensify in the medium term due to increasing decarbonisation targets.

This supply shortfall has resulted in higher commodity prices, particularly gold. In turn, we expect increased exploration budgets for producers and capital raisings for juniors. Historically, there is a six-to-nine-month interval between funds being raised and subsequently deployed on-site.

As these funds are allocated, we anticipate an uplift in rig activity, new projects being permitted, and a rise in overall exploration expenditure globally.

We expect activity in FY25 will remain relatively flat as customers in some jurisdictions complete cost out programs and reset for the industry upturn. We have a unique competitive position, however, to address increasing demand for productivity and greater orebody knowledge.

We maintain our clear objective of outperforming industry growth through technology leadership, together with solutions and managed services, while pursuing new growth via our Digital and IMT businesses.

GROWTH STRATEGY AND FY25 FOCUS AREAS

FY25 Focus Areas

Continuing to execute on strategic initiatives



Protecting and developing our people

Safety culture

Employee engagement

Capability development

Diversity, Equity & Inclusion



Investing in digital 2.5

Systems that enable IMDEX to scale efficiently, securely, and sustainably

Build on the success of the Global Digital Revenue system through extension to our fluids business

Enhancing systems for ESG related data capture and assurance



Investing in our core business growth

Devico revenue synergies including directional drilling

Integrated solutions

Disciplined product development



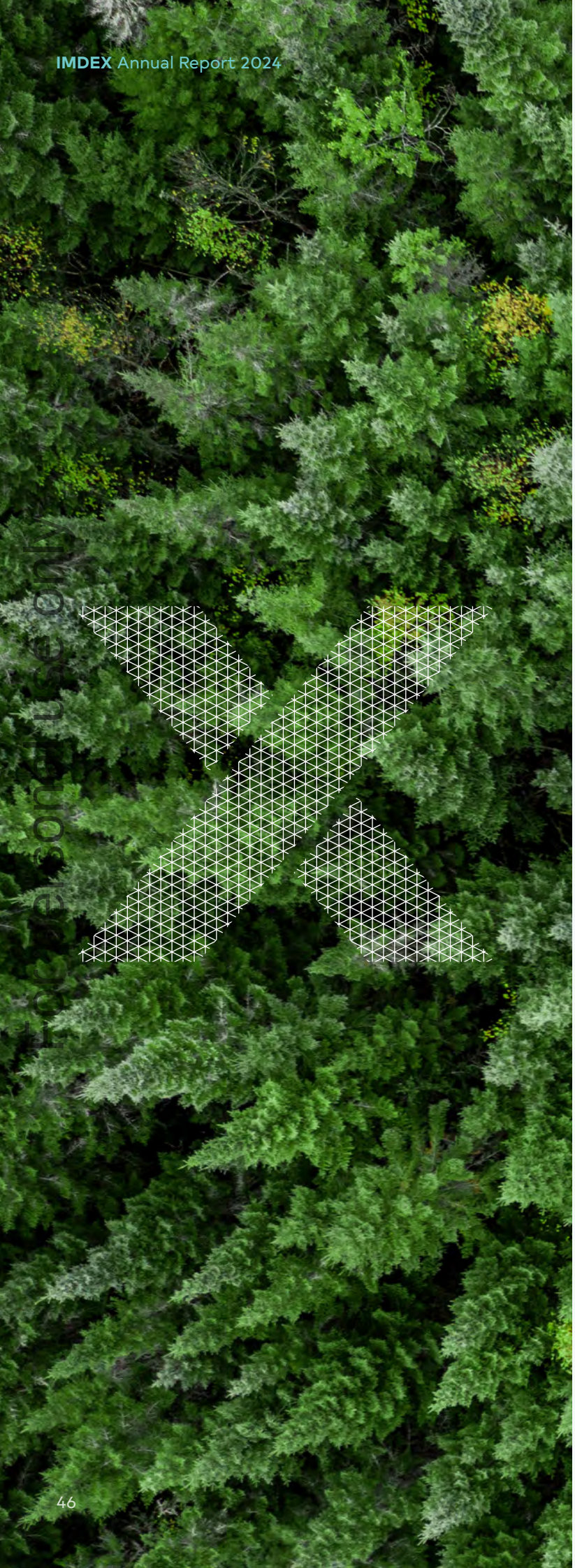
Investing in our digital and IMT business growth

Scaling software

Collaboration with Krux and Datarock

Additional installed sites and units within IMT portfolio

For personal use only



For personal use only

Growth Strategy

Our growth strategy for our core business is focused on technology leadership and delivering value through integrated solutions. For our new digital and IMT businesses, we are building geoscience analytics, AI and computer visualisation capabilities to enhance orebody knowledge for customers, while leveraging its core capabilities in the mining production market. Increasing the combination of our digital products and end-to-end solutions provides unparalleled orebody knowledge insights. Together, these strategic initiatives aim to increase SaaS revenue and provide greater exposure to less cyclical sectors of the mining value chain.

Strategy

Growth of core and new business units

Core Business Growth	New Business Growth
Technology Leadership Targeted R&D to maintain market leadership and win market share	**Digital Business** Building on geoscience analytics, AI and computer visualisation capabilities to enhance orebody knowledge for customers Building additional SaaS revenue for IMDEX
Solution Selling Focusing on optimised solutions rather than single products to maximise customer value and IMDEX sustainable revenue	**IMT Business** Leveraging capabilities in larger adjacent market, where it is the same orebody and client Building additional mining production revenue, which is less subject to cyclical impacts

ACQUIRE, BUILD AND COLLABORATE

Growth Opportunities FY26+

Key indicators and growth drivers

Market Share Gains	Margin Expansion	IMDEX Growth Upside	Market Growth Upside
Integrated solutions IMDEX's expanded sensor stack Expansion of directional drilling globally IMDEX's expanded presence in Europe, the US and Africa	Growth of core business Maintaining technology leadership and increasing ARPU Increasing percentage of revenue from higher margin Sensors & Software Cost synergies achieved from Digital 2.5	Increasing percentage of revenue from Digital Business Unit Increasing percentage of revenue from IMDEX Mining Technologies Business Unit Potential M&A and further industry collaboration	**Increased drilling activity supported by:** Supply demand fundamentals Strengthening commodity prices Increasing exploration budgets and capital raisings

Driven by IMDEX

For personal use only

For personal use only

Directors' Report





For personal use only

The Directors of IMDEX Limited ("IMDEX" or "the Company") present their report together with the annual Financial Report of the Company and its Subsidiaries ("the Group") for the financial year ended 30 June 2024.

In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names and particulars of the Directors of the Company during or since the end of the financial year are:

Name	Role	Particulars
Mr. A. Wooles	Independent, Non-Executive Chairman	• Corporate Advisor and Executive • Director and Chairman since 1 July 2016 • Chair of the Remuneration and Nomination Committee • Member of the Audit, Risk and Compliance Committee • Has held executive and advisory roles in diverse industries including mining, oil and gas, power generation, manufacturing, telecommunications, food and beverages and retail • Non-Executive Director of High Peak Royalties Limited (ASX: HPR) (2012 – current) • Chairman of Bhagwan Marine (ASX: BWN) (2011 – current)
Mr. P. House (appointed 1 March 2024)	Managing Director	• Managing Director and Chief Executive Officer • Fellow of the Australian Institute of Management • Graduate Member of Australian Institute of Company Directors • 30 years' experience within the resources and technology sectors, with expertise in management, operations, strategy and governance across a wide range of markets around the world, including: The USA; Australia; Africa; India; the Middle East and Southeast Asia. • Currently a board member of Proteomics International Laboratories Ltd (ASX:PIQ) (2017 – current)
Ms. S. Layman	Independent, Non-Executive Director	• Engineer and Certified Practising Accountant • Director since 6 February 2017 • Chair of the Audit, Risk and Compliance Committee and the Sustainability Committee • Member of the Australian Institute of Company Directors and CPA Australia • Extensive experience within the mining sector and financial markets with significant international and cross commodity experience. Previously Division Director – Metals & Energy Capital Division at Macquarie Bank Limited • Non-Executive Director of Pilbara Minerals Ltd (ASX: PLS) (2018 – current), Beach Energy Limited (ASX: BPT) (2019 – current) and Newmont Corporation (ASX: NEM) (2023 – current)
Ms. T. Arlaud	Independent, Non-Executive Director	• Corporate Advisor • Director since 10 February 2021 • Member of the Sustainability Committee • Ms Arlaud is currently the Chief Executive Officer – Mining Specialist at IMB, Inc, Frisco in Colorado, USA. Prior to this role she was Regional Director Mining for the US and Western Canada/Mass Mining Lead (Globally) • Non-Executive Director of Global Atomic Corporation (TSX: GLO) (2020 – current), Seabridge Gold (TSX: SEA, NYSE:SA) (2021 – current) and IGO Limited (ASX: IGO) (2022 – current).

For personal use only

Name	Role	Particulars
Mr. U. Airhiavbere	Independent, Non-Executive Director	• MBA, MA, BA with Hon • Director since 19 December 2022 • Member of the Sustainability Committee and the Audit, Risk and Compliance Committee • Mr Airhiavbere is currently the Chief Commercial Officer, Worldwide Energy and Mining, for Microsoft Corporation, where he leads Microsoft's end-to-end commercial strategy in the energy and mining industries. Prior to this role, he spent nine years with GE Oil & Gas in the roles of Senior Manager-Business Development, Business Unit Director and Director of Commercial Operations. • Non-Executive Director Christensen Inc. (2024 – current)
Ms. T. Horton (appointed 13 November 2023)	Independent, Non-Executive Director	• MBA, BEc Hons • Director since 13 November 2023 • Ms Horton is currently a board member of ASX-listed companies IDP Education Ltd (ASX: IEL) (2022-current) and the GPT Group (ASX: GPT) (2019-current), chair of both companies' People and Remuneration Committees and is a member of GPT's Sustainability & Risk Committee.
Mr. I. Gustavino (retired 19 October 2023)	Independent, Non-Executive Director	• Corporate Advisor • Director since 3 July 2015, retired on 19 October 2023 • Member of the Remuneration and Nomination Committee • Prior to his role as a corporate advisor, Mr. Gustavino was a co-founding shareholder and Director of Surpac Software, now Dassault Systèmes GEOVIA Inc. • Non-Executive Chairman of CV Check Limited (ASX: CV1) (2018 – current)

Directors' Meetings

The following table sets out the number of Directors' meetings (including meetings of committees of Directors) held during the financial year and the number of meetings attended by each Director (while they were a Director or committee member).

	Board of Directors (Number)		Audit, Risk and Compliance Committee (Number)		Remuneration and Nomination Committee (Number)		Sustainability Committee (Number)	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Mr. A. Wooles	7	7	5	5	4	4	N/A	N/A
Mr. P. House	2	2	N/A	N/A	N/A	N/A	N/A	N/A
Ms. S. Layman	7	7	5	5	N/A	N/A	3	3
Ms. T. Arlaud	7	7	N/A	N/A	4	4	3	3
Mr. U. Airhiavbere	7	7	5	5	N/A	N/A	3	3
Ms. T. Horton	4	4	N/A	N/A	2	2	N/A	N/A
Mr. I. Gustavino (retired 19 October 2023)	3	3	N/A	N/A	2	2	N/A	N/A

For personal use only

Company Secretary

Mr. M. Tomasz

Mr. Tomasz joined IMDEX in May 2021 and was appointed as Company Secretary effective from 24 May 2021. He is admitted as a barrister and solicitor in the Supreme Court of New South Wales and admitted as a Solicitor in England & Wales. He has experience in both corporate and commercial law gained from a variety of multinational resource and industrial conglomerate companies.

Operations Review

Principal Activities

IMDEX is a leading global mining-tech company that enables resource companies and drilling contractors to safely find, define, and mine orebodies with precision, confidence, and at speed.

The Company's product offering includes an integrated range of drilling optimisation products, cloud-connected rock knowledge sensors, and data and analytical software. This combined product offering is commodity agnostic and can be applied across the mining value chain.

During FY24, IMDEX supported clients in more than 100 countries. The Company partners with drilling contractors and resource companies to provide integrated offerings that unlock greater productivity and provide critical insights.

IMDEX has facilities in all key mining regions of the world. Its head office is in Balcatta, Western Australia. During FY24, IMDEX completed the operational integration of Devico, including its four facilities and a world-class R&D and manufacturing facility in Trondheim, Norway. This facility and its team of engineers complement the Company's existing capabilities in California and Australia.

The acquisition of Devico significantly strengthens IMDEX's core business and global presence, particularly in Europe.

Review of Operations

A review of the operations of the consolidated entity during the financial year and of the results of those operations is contained in the Annual Report.

Dividends

The following dividends have been paid by the Company or declared by the Directors since the commencement of the financial year ended 30 June 2024:

I. FY23 fully-franked final dividend of 2.1 cents (2022: 1.9 cents) per share paid on 12 October 2023;

II. FY24 fully-franked interim dividend of 1.5 cents (2023: 1.5 cents) per share paid on 28 March 2024; and

III. FY24 fully-franked final dividend of 1.3 cents (2023: 2.1 cents) per share to be paid on 10 October 2024.

Changes in State of Affairs

There were no significant changes in the state of affairs of the Group.

Subsequent Events

On 7 March 2024, IMDEX announced it had received the benefit of a determination by the Federal Court in case NSD 1089/2016 where Globaltech Corporation Pty Ltd (Globaltech) was ordered to pay AU$7.96m (excluding legal costs) to IMDEX subsidiary, Australian Mud Company Pty Ltd.

For personal use only

For personal use only

On 15 April 2024, IMDEX announced that Globaltech had been placed into voluntary administration on 12 April 2024.

As a result of the voluntary administration process, IMDEX entered into a deed of company administration (DOCA) with the Administrators on 31 July 2024. This DOCA was subsequently challenged by a number of Boart Longyear companies, with the court scheduling a hearing in mid-October to determine the outcome of the challenge.

On 16 August 2024, the parties agreed to settle all of the global disputes and have entered into a binding settlement agreement which includes transfer of certain intellectual property to Imdex; new supply agreements between the parties; and a $10m payment to IMDEX. As a result, all global proceedings commenced by either party, including those in Canada, Australia and South Africa will be discontinued or brought to a final determination without any order for compensation and Boart Longyear will drop the challenge to, and agree to support, IMDEX's DOCA for Globaltech.

In addition to the above, and subject to IMDEX's DOCA being finalised, all of Globaltech's patents and trademarks will be incorporated as part of IMDEX's intellectual property portfolio.

Other than the events disclosed above, there have been no matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations of the Group, the result of these operations, or the state of affairs of the Group in future financial years.

Environmental Regulations

The only entity in the Group that is subject to environmental regulations is Samchem Drilling Fluids and Chemicals (Pty) Ltd. They are required to comply with the South African National Water Act, Act No 36 of 1998 which requires the management of effluent discharge. This is controlled through an effluent system.

During the current period, IMDEX have not had any reports of environmental regulatory non-compliance globally.

More specific details about IMDEX's sustainability initiatives and performance, including safety, health and environment, can be found **here.**

Non-audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year are outlined in note 5.8 to the financial statements. The Directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the fees paid for services provided as disclosed in note 5.8 to the financial statements do not compromise the external auditor's independence, based on advice received from the Audit, Risk and Compliance Committee, for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor, and

- None of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing economic risks and rewards.

Auditor's Independence Declaration

The auditor's independence declaration is included in the Annual Report immediately prior to the Auditor's Report.

Indemnification of Officers and Auditors

During the financial year, the Company paid a premium in respect of a contract insuring the Directors of the Company, the Company Secretary, and all Executive Officers of the Company and of any related body corporate against a liability incurred as such by a Director, Secretary or Executive Officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Rounding Off of Amounts

The amounts contained in the financial report have been rounded to the nearest $1,000 (where rounding is applicable) where noted ($'000) under the option available to the Company under ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2016/191. The Company is an entity to which this legislative instrument applies.

ASX Governance Principles and ASX Recommendations

The Australian Securities Exchange Corporate Governance Council sets out best practice recommendations, including corporate governance practices and suggested disclosures (ASX Recommendations). ASX Listing Rule 4.10.3 requires companies to disclose the extent to which they have complied with the ASX Recommendations and to give reasons for not following them.

Unless otherwise indicated, the ASX Recommendations including corporate governance practices and suggested disclosures have been adopted by IMDEX for the full year ended 30 June 2024. In addition, the Company has a Corporate Governance section on its website: **imdex.com** (under the "Investors & ESG" heading) which includes the relevant documentation suggested by the ASX Recommendations.

The IMDEX Group's Corporate Governance Statement (Statement) for the financial year ended 30 June 2024 is dated as at 30 June 2024 and was approved by the Board of IMDEX (Board) on 20 August 2024. The extent to which IMDEX has complied with the ASX Recommendations during the year ended 30 June 2024, and the main corporate governance practices in place can be viewed in the Corporate Governance section on the Company website.

For personal use only



Devico DeviDrill™

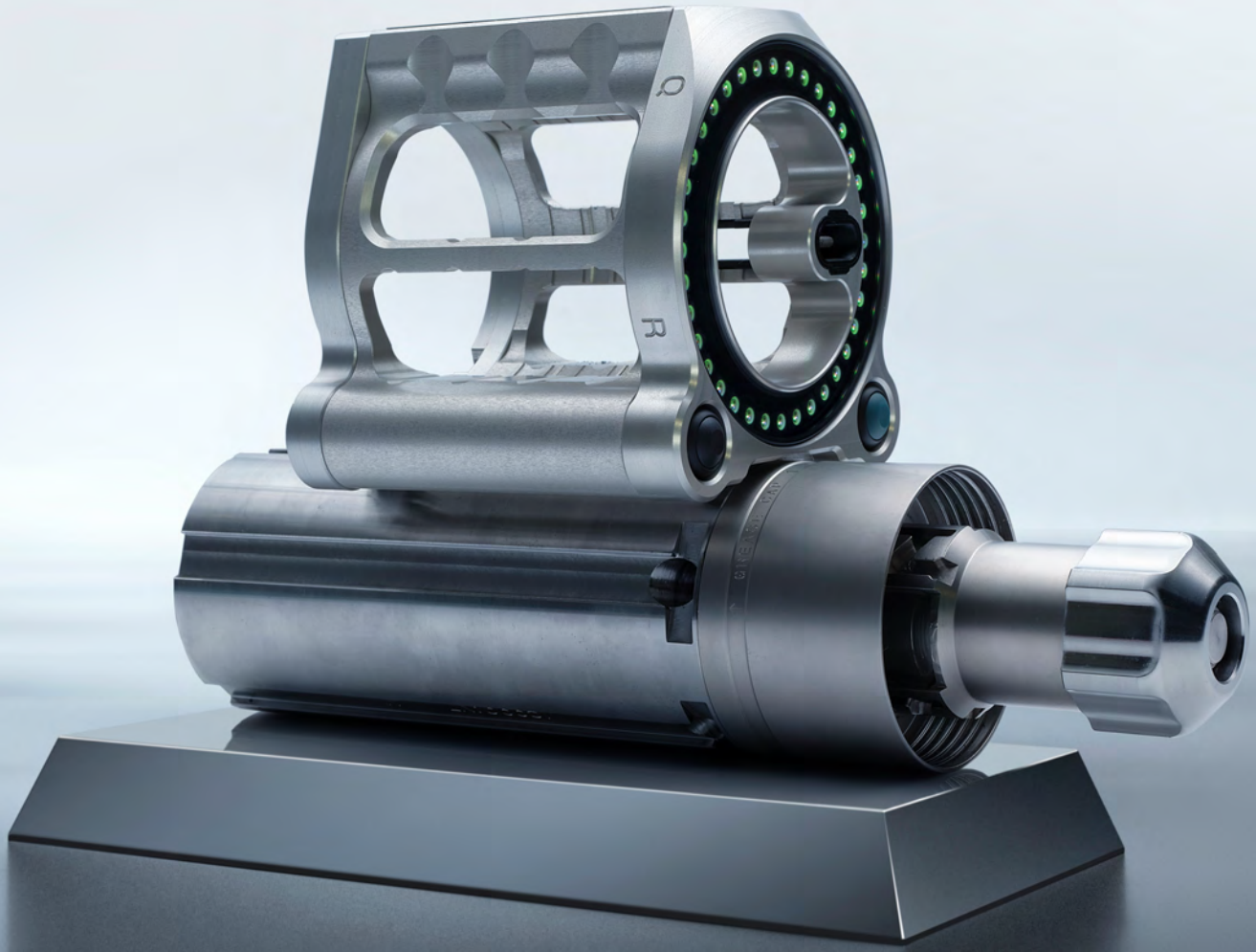
For personal use only

For personal use only

Remuneration Report



For personal use only



IMDEX ACTx™

For personal use only

Remuneration Report (Audited)

This Remuneration Report for the year ended 30 June 2024 outlines the remuneration arrangements of the Company in accordance with the requirements of the *Corporations Act 2001* (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The report is presented under the following sections:

1. Introduction
2. FY24 highlights and looking forward to FY25
3. Remuneration Governance
4. Executive Remuneration Arrangements
   A. Remuneration principles and strategy
   B. Approach to setting remuneration and details of incentive plans
   C. Executive contracts
5. Executive Remuneration Outcomes for FY24
6. Non-Executive Director Remuneration
7. Additional Disclosures Relating to Options and Shares
8. Other Transactions

1. Introduction

The Remuneration Report details the remuneration arrangements for Key Management Personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

The table below details the KMP of the Company during FY24. Each was a KMP for the entire period unless otherwise stated. For the purposes of this report, the term "Executive KMP" includes the Senior Executives of the Company.

Non-Executive Directors (NEDs)	
Mr A. Wooles	Non-Executive Chair
Mr I. Gustavino	Non-Executive Director (ceased 19 October 2023)
Ms S. Layman	Non-Executive Director
Ms T. Arlaud	Non-Executive Director
Mr U. Airhiavbere	Non-Executive Director
Ms T. Horton	Non-Executive Director (appointed 13 November 2023)
Executive KMP	
Mr P. House[1]	Managing Director and Chief Executive Officer (MD & CEO)
Mr P. Evans[2]	Chief Financial Officer (CFO)
Mr S. Southwell	Chief Operating Officer (COO)
Dr M. Carey	Chief of Strategy (COS)
Mr M. Tomasz	General Counsel and Company Secretary

[1] Mr House was previously Chief Executive Officer and was appointed Managing Director & Chief Executive Officer effective from 1 March 2024

[2] Mr Evans announced his intention to step down as Chief Financial Officer effective by the end of calendar year 2024

For personal use only

2. FY24 highlights

Executive fixed remuneration	**6.7%** **average increase**	An executive remuneration review was conducted whereby each incumbent's remuneration was assessed against relevant external market comparators, together with individual performance, role complexity and internal relativity. As a result, the MD & CEO's base salary increased 8.75% from $800,000 to $870,000 per annum during FY24 in recognition of external market conditions and growing role complexity. Other Executive KMP received annual base salary increases ranging from 4.2% to 8.9%. *See Section 5 Statutory Remuneration for Executive KMP for more details.*
Short-term incentive ("STI") outcomes	**0%** **of maximum**	In FY24, the EBITDA Gateway was not achieved and no funding of the Profit Share Pool resulted for this period. Consequently, no FY24 STI was awarded to Executive KMP. *See Section 5 Executive Remuneration Outcomes for FY24 for more details.*
Long-term incentive ("LTI") outcomes	**55%** **of maximum**	The 2021 LTI (FY22) three-year performance period ended on 30 June 2024. As a result of performance testing, the Board approved vesting of this award at 55% based on assessment against the following performance hurdles: • Relative Total Shareholder Return (TSR) • Absolute Earnings Per Share (EPS) • Strategic milestones Regarding the prior year 2020 LTI (FY21) award, final vesting of 58% was confirmed in September 2023. This outcome reflects IMDEX performance of 103% TSR growth and 113% EPS growth (normalised) over the 3 year period ending 30 June 2023. *See Section 5 Executive Remuneration Outcomes for FY24 for more details*.
FY24 Non-Executive Directors (NEDs) remuneration	**0%** **increase**	During FY24 the Board reviewed the NED fee structure (including policy base and committee fees) considering relevant benchmarking data and responsibilities of individual members. As a result, it was determined no increases to NED fees were required. Note the aggregate NED fee pool of $950,000 (as approved by shareholders at the 2021 AGM) remained unchanged. *See Section 6 for disclosures regarding our NEDs.*

Changes to Executive Remuneration in FY24

FY24 One-off Performance Based New Business Integration Incentive (NBII)

In order to support the successful integration of the investments made by IMDEX in new business opportunities, a 'one-off' long term incentive with service and performance based vesting conditions was granted to a limited number of select executives of the Company including the MD & CEO[1]. It is important to note that two thirds of grant is subject to performance criteria relating to IMDEX share price performance which delivers a tangible realised return to shareholders. To illustrate, by achieving the maximum IMDEX share price hurdle of $3.00 (a 64% uplift on the 30 June 2023 five day VWAP of $1.83), shareholders will realise an additional greater than $590 million market capitalisation, of which the NBII granted to Executive KMP would represent less than 1%.

[1] Note at the time of the NBII grant Mr House was the Chief Executive Officer (appointed to Managing Director and Chief Executive Officer effective from 1 March 2024).

The NBII grant and vesting conditions are summarised below.

Performance Period	1 July 2023 – 30 June 2026 (3 years)
Award Vehicle	Performance rights (Rights) which convert to IMDEX ordinary shares upon vesting.

For personal use only

Opportunity	Subject to Vesting Conditions, all Executives including the MD & CEO may receive up to a maximum of 150% of base salary.
Vesting Conditions	**Tranche 1**: One third of grant subject to continued employment. **Tranche 2**: Two thirds of grant subject to performance criteria relating to IMDEX share price hurdles and continued employment.
Vesting Criteria	**Tranche 1**: The Executive must be employed with IMDEX at the time the Rights have vested. **Tranche 2**: IMDEX share price[2] hurdles with vesting in accordance with the schedule below and continued employment with IMDEX at the time the Rights have vested. **IMD share price[2]** — **Vesting** Below $2.50 — 0% At or above $2.50 — 50% At or above $3.00 — 100% In addition to the vesting criteria above, the individual performance of the Executive must be at minimum 'meeting all expectations'' as evaluated each year throughout the performance period.
Cessation of employment	The grant of any Shares is subject to the Executive remaining a Company employee at that time the Performance Rights have vested along with compliance with the requirements of the Plan. If the Executive ceases to be an employee before that date (the Performance Rights have vested and become exerciseable), their Performance Rights will automatically lapse and be forfeited unless and to the extent the Board otherwise determines in accordance with the Plan. The Board retains its absolute discretion to determine whether to apply a Qualifying Reason in accordance with the Plan.

[2] *The IMDEX share price is based on the average closing price for the three calendar months up to and including the final day of the performance period.*

It is important to note that this grant does not represent an ongoing component of the IMDEX Executive Remuneration package. After detailed consideration, the grant was determined by the Board to be an effective means of ensuring that shareholder value ensuing from the investment by the Company in new business opportunities is protected and maximised. The NBII is designed to ensure longer term alignment between IMDEX's Executives, the new business operations being integrated and the interests of shareholders of our Company.

Looking forward to FY25

IMDEX continues to grow in size, complexity and global reach. Similarly, the talent across our global workforce is increasingly sourced from a wide variety of backgrounds and organisations with IMDEX seen as an attractive source for highly skilled leadership. The overall employee value proposition is therefore critical to the attraction and retention of our global workforce and executives, of which the remuneration offering must remain contemporary.

As foreshadowed in last year's Remuneration Report, we continue to strengthen the link between our strategy and the Executive Remuneration Framework. In consideration of the annual review process and external market benchmarking, for FY25 the MD & CEO's fixed remuneration will increase to $910,000 (4.6% increase), STI opportunity increases to 75% of base salary (previously 50%) and the current LTI opportunity of 100% of base salary remains unchanged. Other Executive KMP's will receive annual base salary increases ranging from 4.0% to 5.2%, STI opportunity increases to 50% of base salary (previously 35%) and the current LTI opportunity of 70% of base salary remains unchanged.

We will continue to work through further opportunities for change over the coming year. This includes ongoing consideration for minimum shareholding guidelines in the context of ASX market practices and recognising implications for individual Board members and Executives residing in overseas locations.

The Board welcomes ongoing shareholder feedback to ensure IMDEX's remuneration practices remain appropriate.

For personal use only

3. Remuneration Governance

Remuneration and Nomination Committee

The Remuneration and Nomination Committee (the Committee) comprises three independent NEDs.

The Committee has delegated decision making authority for some matters related to the remuneration arrangements for NEDs and Executives and is required to make recommendations to the Board on other matters.

Specifically, the Board approves the remuneration arrangements of the MD & CEO and other Executives, and all awards made under the short-term incentive (STI) and long-term incentive (LTI) plans, following recommendations from the Committee. The Board also sets the aggregate remuneration of NEDs, which is then subject to shareholder approval, and NED fee levels. The Committee approves the level of the STI pool, having regard to the recommendations made by the MD & CEO.

The Committee meets regularly through the year. The MD & CEO attends certain Committee meetings by invitation, where the input of Management is required and is not present during any discussions related to his own remuneration arrangements.

Further information on the Committee's role, responsibilities and membership is available at www.imdex.com

Stakeholder consultation

As part of the Board's commitment to good governance, the Committee considers the views of shareholders and other key stakeholders when setting the remuneration framework and / or determining remuneration outcomes for the KMP. Each year the Committee proactively undertakes consultation with institutional shareholders and proxy advisors on remuneration and governance matters. Feedback from stakeholders is considered and used as a key input into decision-making by the Board / Committee for continuous improvement ensuring the appropriateness of KMP remuneration arrangements. The Board / Committee considers the stakeholder consultation approach provides a robust mechanism to inform decisions and outcomes that are in the interests of the Company and its shareholders.

Use of remuneration consultants

To ensure the Committee is fully informed when making remuneration decisions, it seeks external remuneration advice. Remuneration consultants are engaged by, and report directly to the Committee. In selecting remuneration consultants, the Committee considers potential conflicts of interest and requires independence from the Company's KMP and other Executives as part of their terms of engagement.

During the financial year, the Committee engaged:

- The Reward Practice Pty Ltd (TRP) as remuneration consultants to provide remuneration services in respect to the provision of incentive market insights and remuneration report drafting with a total fee of $48,000 for these services.
- Willis Towers Watson (WTW) as remuneration consultants to provide remuneration services in respect to external benchmarking with a total fee of $38,000 for these services.

During the period no remuneration recommendations, as defined by the *Corporations Act*, were provided by TRP or WTW.

Remuneration report approval at 2023 AGM

The FY23 Remuneration Report received strong shareholder support at the 2023 AGM with a vote of 99.54% in favour. This demonstrates ongoing shareholder support and confidence in the Company's remuneration approach for KMP.

For personal use only

4. Executive Remuneration Arrangements

4A: Remuneration principles and strategy

IMDEX's Executive remuneration strategy is designed to attract, motivate and retain high performing individuals and align the interests of Executives and shareholders.

The following diagram illustrates how the Company's remuneration strategy aligns with the strategic direction and links remuneration outcomes to performance.

Business Objective
Providing leading mining solutions to enhance the productivity and efficiency of our clients' operations across the mining value chain.

How our Remuneration Strategy links to our Business Objective	
Align the interests of Executives with our shareholders	Attract, motivate and retain high performing individuals
• The Remuneration Framework incorporates "at-risk" components, including both short and longer term elements, delivered in cash and equity; and • Performance is assessed against financial and non-financial measures, which are linked to IMDEX's increased growth and profitability and hence, shareholder value.	• The remuneration offering is competitive for companies of a similar size and complexity; and • Longer-term elements encourage retention.

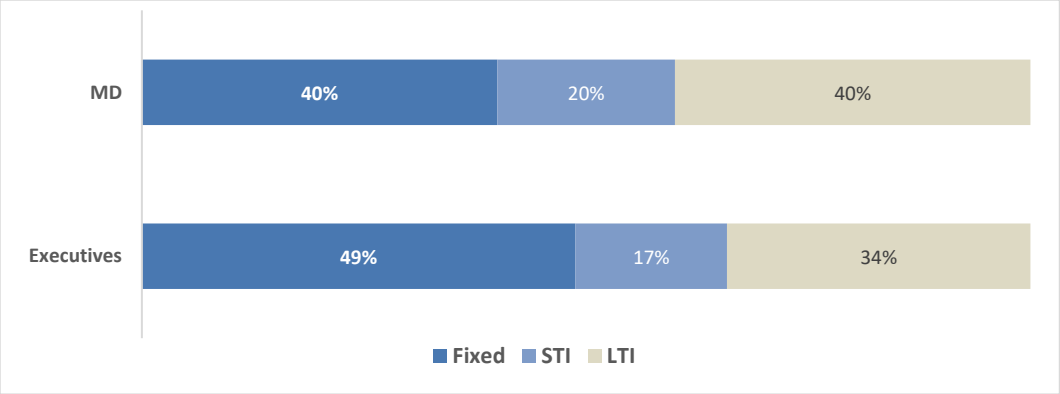
Remuneration Component	Vehicle	Purpose	Link to Performance
Base Salary	Comprises cash base salary only.	To provide a competitive base salary set with reference to the role, location and experience.	Company and individual performance considered during the annual remuneration review.
Superannuation/Pension	Compulsory superannuation/ pension contributions plus other cash and non-cash benefits.	To meet statutory requirements and provide benefits commensurate with role, location and experience.	Benefits are considered during the annual remuneration review.
STI	Half the award is paid in cash and half is granted as deferred performance rights.	Focusses the efforts and rewards Executives for their contribution to achieving outcomes that are a priority for the Company in the financial year. The deferred component is consistent with prevalent Australian market practice and encourages executive share ownership and supports alignment with the shareholder experience over the medium term.	EBITDA is the key financial metric. Also linked to other internal measures including safety, customer service, implementation of key growth initiatives, risk management, IMDEX values and people and capability. Mandatory Compliance and Safety training completion is also required.
LTI	Awards are made in the form of performance rights.	Rewards Executives for their contribution to the creation of shareholder value over the longer term.	Vesting of awards is dependent on Total Shareholder Return (TSR) performance relative to a peer group of companies, Absolute Earnings Per Share (EPS) and the achievement of long-term strategic milestones.

For personal use only

4B: Approach to setting remuneration and details of incentive plans

In FY24, the Executive remuneration framework consisted of base salary and short and long-term incentives as outlined below.

Overall remuneration level and mix	
How is overall remuneration and mix determined?	Remuneration levels are considered annually through a review that considers comparative market data, the performance of the Company and individual, and the broader economic environment. The Company aims to reward Executives with a level and mix (proportion of base salary and other benefits, short term incentives and long-term incentives) of remuneration appropriate to their position, responsibilities, and performance within the Company and that which is aligned with targeted market comparators. Comparative companies are based on the following: • Industry peers with similar market capitalisation; • Mining, Equipment, Technology and Services companies with comparable market capitalisation; and • Other industry companies with which IMDEX competes for talent. The Company's policy is to position Executives base salary around the 62.5 percentile of its targeted market comparators. The chart below summarises the MD & CEO and other Executive KMPs' remuneration mix based on maximum opportunity for Fixed Remuneration (base salary plus superannuation), STI and LTI. The mix is considered appropriate for IMDEX based on market relativity and alignment to the Company's short term and long-term strategic imperatives.



Base salary and other benefits	
How is base salary and other benefits reviewed and approved?	Base salary and other benefits are reviewed annually utilising benchmarked remuneration data. Any changes in remuneration for Executives are subject to approval from the Board considering recommendations from the Remuneration and Nomination Committee.

Short Term Incentives	
What is the STI plan?	The Company operates an annual STI program that is available to Executives subject to the attainment of clearly defined Company and individual financial and non-financial measures. Actual STI payments awarded to each Executive depend on the extent to which performance criteria set at the beginning of the financial year are met. Half of any STI award is paid in cash and half is delivered as deferred performance rights (Rights) which may vest after 12 months subject to continued employment.

For personal use only

What are the performance criteria and how do they align with business performance?

The performance criteria consist of several Key Performance Indicators (KPIs) covering financial and non-financial, corporate, and business unit measures of performance which are focussed on key performance drivers for the business. Within each KPI, stretch objectives are set.

Executives will only be eligible for a payment to the extent that the overarching EBITDA Gate is met or exceeded and 100% of mandatory compliance and safety training is completed. EBITDA is considered a key measure against which Management and the Board assess the short-term financial performance of the Company.

Targets are set based on budget, adequacy of challenge and business objectives. Targets reflect business expectations at that time and may vary from prior year performance depending on economic and market conditions. The targets and outcomes may be adjusted (up or down) to exclude the impacts of uncontrollable items such as fair value gains on deferred consideration and gains on sale of investment.

The performance criteria and weightings are summarised as follows:

Performance Criteria	Weighting	Detail of Measures
Corporate	50%	Based on Group EBITDA outcomes* versus target
Safety	20%	Based on Group TRIFR versus target
Individual Performance	30%	Based on key measures identified annually for the executive and assessed against expectations for the role. A combination of scores assessed for executives based on individual goals relating to: • Customer Focus and Technical Leadership • Operational Excellence & Quality • Risk, Compliance & Safety • People & Capability • IMDEX Values • Strategic Initiatives As part of the assessment, the participant will be considered against the IMDEX values as part of determining final outcomes.

**To provide an accurate representation of the Company's ongoing operational performance and to ensure employee rewards align with sustainable short-term value creation, any unbudgeted non-recurring or non-operational events or transactions that are not expected to occur regularly or are unrelated to the underlying operating activities of the company (i.e. "One-off" or "Individually Significant Items") such as, gains or losses from business and asset acquisitions, and significant litigation settlements may be excluded from the EBITDA calculation.*

What is the value of the STI award opportunity?

The MD & CEO has a maximum STI opportunity of 50% of base salary. Other Executives have a maximum STI opportunity of up to 35% of base salary if the EBITDA Gate is exceeded and all the stretch targets are met.

How are STI payouts determined?

On an annual basis, after consideration of performance against KPIs (including satisfying the EBITDA Gate and 100% completion of the mandatory Compliance and Safety training), the Board in line with their responsibilities, determine the amount (if any) of the STI to be paid to each Executive, seeking recommendations from the MD & CEO as appropriate. The use of the EBITDA Gate ensures that the STI payouts are affordable to the business and are capped at the sum of the individual's maximum opportunity.

What happens to STI awards on cessation of employment?	If an Executive ceases employment before the end of the financial year, generally no STI is awarded for that year subject to overarching Board discretion. Where a participant ceases employment prior to the deferred portion of their STI award vesting due to resignation or for cause, the Rights will be forfeited. Where a participant ceases employment due to a qualifying reason (death, total and permanent disability, retirement, or redundancy), then vesting will be determined based on the amount of performance period remaining and subject to Board discretion.

Long Term Incentives	
What is the LTI plan?	Under the LTI plan, annual grants of performance rights (Rights) are made to Executives to align remuneration with creation of shareholder value over the long-term.
How much can Executives earn?	The number of Rights granted is calculated on a Face Value basis. The MD & CEO has a maximum LTI opportunity of 100% of base salary. Other Executives have a maximum LTI opportunity of 70% of base salary. Executives are not eligible to receive dividends, or dividend equivalent payments on unvested Rights.
How is performance measured?	Awards are subject to three measures, weighted as follows:

	1) Relative TSR	**2) Absolute EPS**	**3) Strategic Milestones**
Weighting	50%	20%	30%
Purpose	To recognise the creation of shareholder value relative to market peers	To recognise profitable growth over the long term	To recognise the achievement of strategic milestones over the long-term

The calculation of each performance measure is outlined below:

1) Relative TSR

IMDEX's TSR is measured relative to a comparator group of ASX-listed companies comprising the ASX300 Resources Index. These companies were chosen as they are of similar size and reflect the Company's competitors for capital. The TSR for IMDEX and comparator companies is measured over three financial years (e.g., 1 July 2023 to 30 June 2026 for the FY24 LTI grant).

Relative TSR measures the percentage change in a company's share price, plus the value of dividends received during the period, assuming that all those dividends are reinvested into new shares.

The proportion of Rights that may vest based on relative TSR performance is determined based on a ranking approach. The TSR for IMDEX and each company in the comparator group is measured and the companies are ranked by their TSR performance with vesting based on the following schedule:

TSR percentile ranking of IMDEX	**TSR Portion of LTI that vests (50%)**
Below the 50th percentile	Nil vesting
At the 50th percentile	50%
Between the 50th percentile and 75th percentile	Pro-rata
At or above the 75th percentile	100%

For personal use only

For personal use only

Note: Notwithstanding the percentile ranking, no vesting will occur for the relative TSR portion where IMDEX's TSR for the Performance Period is negative.

How is performance measured? (continued)

2) Absolute EPS

EPS growth targets are set by the Board at the time of the LTI grant. EPS compound annual growth rate (CAGR) performance determines the proportion of rights that may vest relative to absolute EPS as follows:

EPS CAGR	EPS Portion of LTI that vests (20%)
Below 10%	Nil vesting
10%	50%
Between 10% and 15%	Pro-rata
At or above 15%	100%

3) Strategic Milestones

Strategic milestones and associated measures relating to IMDEX's long-term objectives are set by the Board at the time of the LTI grant. Each strategic milestone is assessed over the three-year performance period with annual progress reviews undertaken between Management and the Board. Due to the sensitive nature of the initiatives related to the strategic milestones, outcomes will be provided in the remuneration report following the conclusion of the performance period.

When is performance measured?

The performance measures are tested at the end of the three-year performance period to determine the number of Rights that vest. There is no opportunity for re-testing. Rights will lapse if the performance measures are not met at the end of the performance period.

What happens on cessation of employment?

Where a participant ceases employment prior to their award vesting due to resignation or termination for cause, all Rights will be forfeited. Where a participant ceases employment due to a qualifying reason (death, total and permanent disability, retirement, or redundancy), then vesting will be determined based on the amount of performance period remaining and subject to Board discretion.

What happens if there is a change in control?

In these circumstances, vesting will be determined at the discretion of the Board.

4C: Executive contracts

Remuneration arrangements for KMP are formalised in employment agreements. The following outlines the details of contracts with KMP.

MD & CEO – Mr Paul House

Mr. House is employed under an ongoing contract, which can be terminated with notice by either side.

Under the terms of the FY24 contract:

- Mr House receives a base salary of $870,000 per annum.
- A maximum STI opportunity of 50% of base salary.
- Eligibility to participate in the IMDEX LTI plan on terms determined by the Board. Maximum opportunity is 100% of base salary.

Termination provisions

Termination provisions specify that the MD & CEO or the Company may terminate the agreement without cause by giving 6 months' written notice. In addition to payment for accrued but untaken annual and long service leave, an additional payment of 4 months' base salary is payable on termination by the Company where termination is affected without cause on 6 months' notice, inclusive of any redundancy payment payable to the MD & CEO. The Company may

otherwise terminate the contract on 3 months' notice (due to illness or incapacity), 1 month's notice (for misconduct) or no notice (if engaged in criminal activity which brings the Company into disrepute). IMDEX can make a payment in lieu of notice for all or some of the applicable notice period.

All other Executives are employed on individual open-ended employment contracts that set out the terms of their employment. The termination provisions for other Executives are as follows:

Reason	Notice period	Payment in lieu of notice	Treatment of STI on termination	Treatment of LTI on termination
Resignation	Up to 6 months	Up to 6 months	Unvested awards forfeited	Unvested awards forfeited
Termination for cause	None	None	Unvested awards forfeited	Unvested awards forfeited
Termination in cases of death, disablement, redundancy, without cause	Up to 6 months	Up to 6 months	Unvested awards forfeited subject to Board discretion	Vesting will be determined based on the amount of performance period remaining and the Executive's performance, subject to Board discretion.

5. Executive Remuneration Outcomes for FY24

Company performance

A summary of IMDEX's business performance as measured by a range of financial and other indicators, including disclosure required by the *Corporations Act 2001*, is outlined in the table below.

Measure	FY24	FY23	FY22	FY21	FY20
Revenue ($'000)	**445,284**	411,398	341,843	264,375	237,691
EBITDA ($'000)	**112,880**	100,514	101,987	78,418	58,072
Normalised EBITDA ($'000)	**130,721**[1]	122,578[2]	104,858[2]	75,501[2]	54,447[2]
Net profit before tax ($'000)	**50,133**	54,597	62,566	44,531	29,142
Net profit after tax ($'000)	**32,399**	34,995	44,711	31,667	21,758
Share price at start of year (cents)	**189.5**	184.5	204.0	111.0	131.0
Share price at end of year (cents)	**2.220**	189.5	184.5	204.0	111.0
Interim dividend (cents) – fully franked	**1.5**	1.5	1.5	1.0	1.0
Final dividend (cents) – fully franked	**1.3**	2.1	1.9	1.4	0.7
Special dividend (cents) – fully franked	**-**	-	-	0.4	2.0
Basic earnings per share (cents)	**6.36**	7.95	11.28	8.01	5.64
Normalised basic earnings per share (cents)	**9.24**[1]	12.01[2]	11.85[2]	7.27[2]	4.70[2]
Diluted earnings / (loss) per share (cents)	**6.03**	7.55	10.80	7.80	5.46

[1] FY24 stated before $10.4m Devico integration and organisation design costs and $7.4m impairment loss on assets held for sale.

[2] FY23 stated before $11.1m exceptional litigation costs relating to costs incurred in respect of international IP infringement matters, $10.6m Devico transaction and integration costs and $0.4m impairment loss on COREVIBE. FY22: a net expense of $2.9m impairment loss, being an impairment loss on COREVIBE IP, inventory and associated fixed assets of $14.1m offset by the related $11.2m estimated deferred consideration no longer payable; FY21: $2.9m gain on deferred consideration fair value adjustment for Flexidrill and AusSpec); FY20 $3.6m gain on VES sale.

For personal use only

Short Term Incentives

Company performance and its link to short-term incentives

An STI payment will only be made to the extent that the overarching EBITDA Gate is met or exceeded and 100% of mandatory compliance and safety training is completed by the Executive.

IMDEX's actual EBITDA performance to budget target over the three financial years from 1 July 2021 to 30 June 2024:

Financial year	EBITDA vs Gate
FY24	Not Achieved
FY23	Exceeded
FY22	Exceeded

Mandatory Compliance and Safety training completion:



Compliance and safety training programs 100% completed by all Executives.

Performance in FY24

The table below sets out the STI measures for FY24 and performance outcomes against those measures.

Under the STI, payments for Executives and senior management are 100% profit funded once the EBITDA target has been met. For FY24 the EBITDA target was not met resulting in nil STI payout for Executive KMP.

Objective	Weighting	Performance Achieved/Comments
Corporate	50%	FY24 EBITDA of $112.6m was below the target set.
Safety	20%	FY24 TRIFR of 3.80 was above the target set.
Individual	30%	Outcomes for individual objectives for the year met or exceeded expectations.

The following table outlines the STI outcomes for Executive KMP, including the proportion of maximum STI that was earned and forfeited in relation to FY24.

	Percentage of maximum STI	
Executive KMP	Awarded	Forfeited
Mr P. House	0%	100%
Mr P. Evans	0%	100%
Mr S. Southwell	0%	100%
Dr M. Carey	0%	100%
Mr M. Tomasz	0%	100%

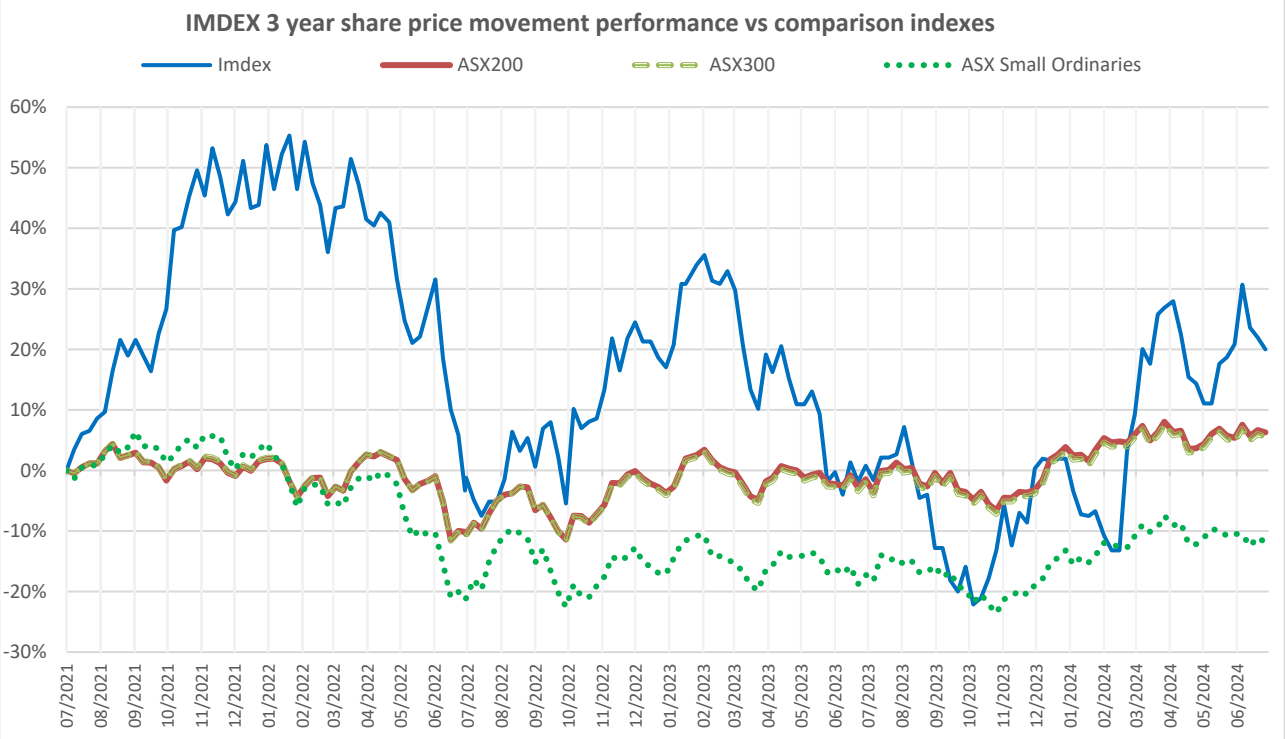
Long Term Incentives

Company performance and its link to long-term incentives

The following chart shows the IMDEX share price movement relative to the performance of various index groups (that are relevant to IMDEX) over the last three years.

For personal use only

For personal use only



LTI vesting for grants made prior to FY22 are driven by the Company's TSR and EPS performance relative to the companies within the ASX 300 Resources Index peer group (assessed via a combined percentile rank). To move to a more market-aligned and balanced LTI assessment approach, from FY22 and onwards, LTI awards are based on performance against three independent, weighted performance areas that are linked to long-term shareholder wealth, profitability growth and strategic achievements (i.e., relative TSR, absolute EPS and strategic milestones).

The following table provides a summary of LTI award vesting and shareholder-related performance over the past three years.

	FY22 LTI (vest 30 June 2024)	FY21 LTI (vest 30 June 2023)	FY20 LTI (vest 30 June 2022)
Absolute TSR growth	20%	103%	142%
Relative TSR ranking percentile (vs. peers)	*50%*	*69%*	*82%*
Absolute EPS growth[1]	(2%)[2]	113%[1]	53%
Relative EPS ranking percentile (vs. peers)	*NA*	*61%*	*57%*
LTI vesting[3]	**55%**	**58%**	**65%**

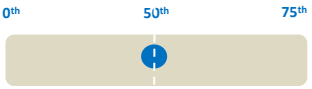
[1] For comparison purposes, a point-to-point growth rate is used based on normalised EPS.

[2] The EPS for the base year (i.e. FY21) has been adjusted to reflect the inclusion of Devico. This includes CY22 NPAT for Devico plus interest, amortisation and increase in the number IMDEX shares issued arising from the Devico acquisition.

[3] LTI vesting for FY20 and FY21 grants is calculated using the combined percentile rank values based on both relative TSR and EPS outcomes.

Following the assessment of performance hurdles for the FY22 LTI grant over the three years ended 30 June 2024, the Board approved a total of 55% vesting for Executive KMP in accordance with Plan Rules. The following outlines the assessment outcomes for the FY22 grants.

The following table summarises the FY22 LTI performance hurdles and outcomes for the performance period.

LTI Hurdle (FY22)	Performance outcomes	Vesting outcome	Further details
Relative TSR (50%) Relative TSR (against the S&P/ASX300 Resources Index)		25%	Assessed in line with Plan rules, IMDEX TSR (19.99%) for the period achieved a 50th percentile ranking against the comparator group.
Absolute EPS (20%) Compound annual growth rate (CAGR)		0%	Assessed in line with Plan rules, the vesting outcome reflects EPS CAGR for the period. Given that the EPS CAGR outcome for the period is less than 10%, the vesting outcome for this performance hurdle is zero.
Strategic milestones (30%) Overall revenue gateway. Qualitative assessment of each individual strategic milestone		30%	Overall strategic gateway related to transformational (non-core) revenue exceeded. Contributing to this the Board assessed the individual strategic milestones set out below as meeting or exceeding target outcomes which collectively provided a 100% vesting outcome for this performance hurdle. • Significant progress towards establishing a material presence in the mining production market. • Evolved the digital rock knowledge business offering. • Advanced the Drilling Optimisation business model.
	Total vesting outcome:	**55%**	

For personal use only

For personal use only

Statutory Remuneration for Executive KMP

The following table sets out total remuneration for Executive KMP in FY24 and FY23, calculated in accordance with statutory accounting requirements.

		Short-term benefits				Other Long-term Benefits[2]	Post-employment Benefits		LTIP Share-based payments[3]	Termination Benefits	Total	% Performance related
Executive KMP	**Year**	**Cash Salary**	**Bonus[1]**	**Non-monetary[5]**	**Other**	**Leave**	**Super**	**Other**				
Mr P. House [4]	**FY24**	**870,000**	0	**42,801**		**28,797**	**27,500**	**-**	**987,876**	**-**	**1,956,974**	**50%**
	FY23	800,000	200,000	69,789	-	27,874	27,500	-	350,529	-	1,475,692	37%
Mr P. Evans	**FY24**	**500,000**	0	**(12,921)**		**16,923**	**27,500**	**-**	**261,463**	**-**	**792,965**	**33%**
	FY23	480,000	84,000	34,893	-	13,093	27,500	-	81,730	-	721,216	23%
Mr S. Southwell	**FY24**	**580,000**	0	**1,741**		**18,786**	**27,500**	**-**	**335,281**	**-**	**963,308**	**35%**
	FY23	550,000	96,250	4,505	-	15,759	27,500	-	157,589	-	851,603	30%
Dr M. Carey	**FY24**	**510,000**	0	**(6,772)**		**16,135**	**27,500**	**-**	**250,704**	**-**	**797,567**	**31%**
	FY23	480,000	94,080	24,584	1,886	16,559	27,500	-	85,489	-	730,098	25%
Mr M. Tomasz	**FY24**	**490,000**	0	**10,621**		**8,097**	**27,500**	**-**	**373,646**	**-**	**909,864**	**41%**
	FY23	450,000	78,750	5,738	-	3,861	27,500	-	158,312	-	724,161	33%
Totals	**FY24**	**2,950,000**	**0**	**35,470**	**-**	**88,738**	**137,500**	**-**	**2,208,970**	**-**	**5,420,678**	**41%**
	FY23	2,760,000	553,080	139,509	1,886	77,146	137,500	-	833,649	-	4,502,770	31%

1. 50% of any STI will be paid in cash after the end of the performance period. The remaining 50% will be awarded as deferred Rights to IMDEX Limited shares.
2. Other long-term benefits are the accounting expense of long-service leave movements in FY24.
3. LTIP Share-based payments are calculated in accordance with Australian Accounting Standards and are the amortised fair value of equity-related awards that have been granted to Executives.
4. Mr House elected, and the Board agreed to defer his entire FY21 award into Rights to IMDEX Limited shares. The Rights were deferred for three years, vesting in 2024 and are subject to continued service. The Board also resolved to match the deferred component of the award at the future vesting date, subject to Mr House's continued service over the period.
5. The non-monetary benefits include the accounting expense of annual leave movement.

For personal use only

6. Non-Executive Director Remuneration

Remuneration policy

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The amount of aggregate remuneration sought to be approved by shareholders and the fee structure is reviewed annually against fees paid to Non-Executive Directors of comparable ASX listed companies with similar market capitalisation of the Company, as well as similar sized industry comparators. The Board considers advice from external consultants when undertaking the annual review process.

The Company's constitution and the ASX listing rules specify that the NED fee pool shall be determined from time to time by a general meeting. The latest determination was at the 2021 AGM when shareholders approved an aggregate fee pool of $950,000 per annum.

Structure

The remuneration of NEDs consists of Director Fees and Committee Fees. The payment of additional fees for serving as a Chair on a committee recognises the additional time commitment required by NEDs who serve on sub-committees. To ensure independence, NEDs do not participate in any incentive schemes.

The table below summarises the NED fee policy for FY24:

Director Fees	
Board Chair	$240,000
Non-Executive Directors	$130,000
Committee Fees	
Committee Chair - Audit, Risk and Compliance Committee	$30,000
Committee Chair – Remuneration & Nomination	$30,000
Committee Chair - Sustainability	$20,000
Committee Member	$10,000

The remuneration of NEDs for FY24 and FY23 is detailed below.

Non-Executive Director	Year	Short-term benefits		Post-employment benefits	Total
		Director Fees	Committee Fees	Superannuation	
Mr. A. Wooles	**FY24**	**240,000**	**30,000**	**-**	**270,000**
	FY23	234,615	28,654	-	263,269
Ms. S. Layman	**FY24**	**130,000**	**50,000**	**-**	**180,000**
	FY23	125,000	28,750	-	153,750
Mr. I. Gustavino[1]	**FY24**	**39,394**	**3,030**	**-**	**42,424**
	FY23	119,299	7,263	5,939	132,501
Ms T. Arlaud	**FY24**	**130,000**	**20,000**	**-**	**150,000**
	FY23	125,000	5,615	-	130,615
Mr U Airhiavbere	**FY24**	**130,000**	**20,000**	**-**	**150,000**
	FY23	70,000	3,864	-	73,864
Ms. T. Horton[2]	**FY24**	**77,750**	**5,288**	**5,284**	**88,322**
	FY23	-	-	-	-
Mr K. Dundo[3]	FY24	-	-	-	-
	FY23	26,754	287	2,839	29,880
Totals	**FY24**	**747,144**	**128,319**	**5,284**	**880,747**
	FY23	700,668	74,433	8,778	783,879

1 Mr. I. Gustavino retired from the Board effective 19 October 2023.
2 Ms. T. Horton appointed to the NED effective 13 November 2023.
3 Mr. K.Dundo retired from the Board effective 6 October 2022.

7. Additional Disclosures Relating to Options and Shares

Performance Rights awarded, vested and lapsed during the year

The following table sets out the Rights held by Executive KMP, including the movements in Rights held during FY24.

Executive KMP	Balance at start of period 1 July 2023	Granted as remuneration	Performance Rights exercised	Performance Rights lapsed/ forfeited	Balance[1] at end of period 30 June 2024
Mr P. House	1,428,537	1,241,135	(282,538)	(134,247)	2,252,887
Mr P. Evans	534,618	623,022	(129,631)	(63,039)	964,970
Mr S. Southwell	544,289	722,382	(120,480)	(56,384)	1,089,807
Dr M. Carey	540,162	637,775	(137,887)	(70,959)	969,091
Mr M. Tomasz	367,934	609,588	(36,269)		941,253
Total	**3,415,540**	**3,833,902**	**(706,805)**	**(324,629)**	**6,218,008**

1. Includes Performance Rights held directly, indirectly and beneficially by Executives.

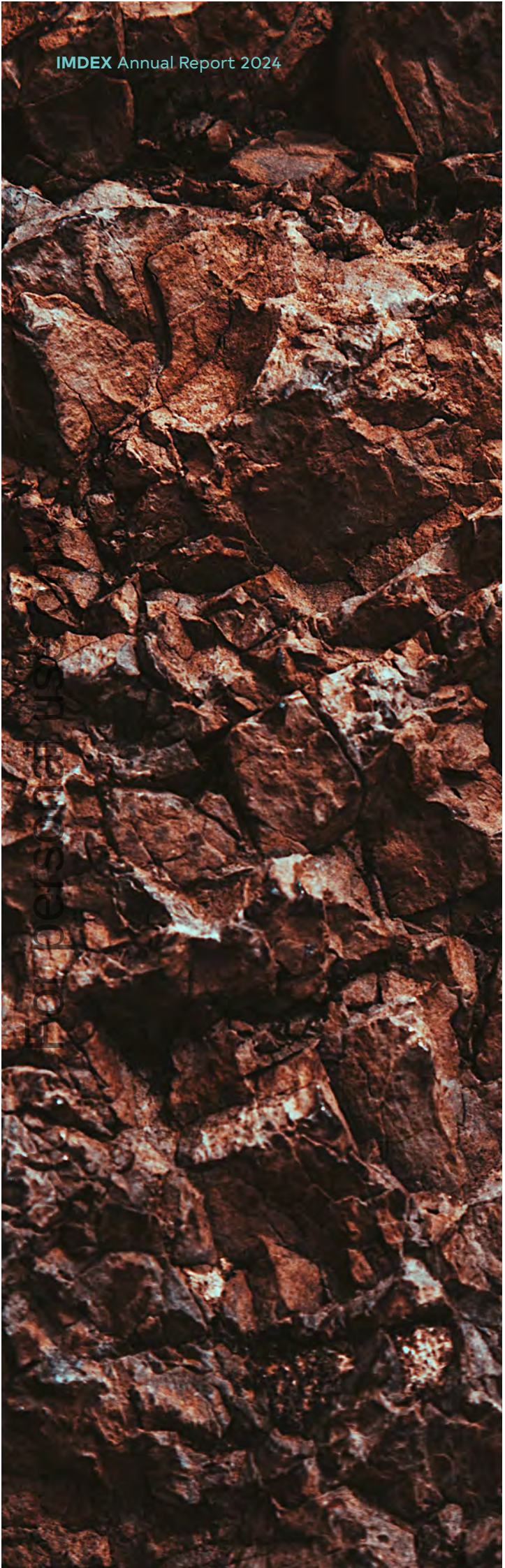
KMP Shareholdings

The table below details the number of shares held in IMDEX and the movement during FY24.

	Class of shares	Balance at start of period 1 July 2023	Shares allocated under remuneration framework[1]	Net change Other	Balance [1]at end of period 30 June 2024	Number of Performance Rights[2] not vested at year-end
Non-Executive Directors						
Mr A. Wooles	Ordinary	1,613,636	-	(63,636)	1,550,000	-
Ms S. Layman	Ordinary	157,083	-	-	157,083	-
Mr I. Gustavino[3]	Ordinary	22,728	-	-	22,728	-
Ms. T. Horton	Ordinary	-	-	-	-	-
Ms T. Arlaud	Ordinary	-	-	-	-	-
Mr. U. Airhiavbere	Ordinary	-	-	20,000	20,000	-
Executive KMP						
Mr P. House	Ordinary	914,403	282,538	260,000	1,456,941	2,252,887
Mr P. Evans	Ordinary	691,608	129,631	(20,000)	801,239	964,970
Mr S. Southwell	Ordinary	83,041	120,480	(23,152)	180,369	1,089,807
Dr M. Carey	Ordinary	362,086	137,887	(110,000)	389,973	969,091
Mr M. Tomasz	Ordinary	-	36,269	(18,000)	18,269	941,253
Total		**3,844,585**	**706,805**	**45,212**	**4,596,602**	**6,218,008**

1. All shares were issued for nil consideration.
2. Includes Ordinary Shares and Performance Rights held directly, indirectly and beneficially by KMP.
3. Mr Gustavino retired from the Board 19 October 2023. Closing balance is at this date.

For personal use only



8. Other Transactions

There are no other transactions and balances with key management personnel and their related parties.

End of Remuneration Report.

Signed in accordance with a resolution of the Directors made pursuant to S.298(2) of the Corporations Act 2001.

On behalf of the Directors.

Anthony Wooles
IMDEX Chairman

PERTH, Western Australia,
20 August 2024

Directors' Declaration

The Directors declare that:

A. in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

B. in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Group;

C. in the Directors' opinion, the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in note 1.1 to the financial statements;

D. the Directors have been given the declarations required by s.295A of the Corporations Act 2001; and

E. in the Directors' opinion, the attached consolidated entity disclosure statement is true and correct.

At the date of this declaration, the company is within the class of companies affected by ASIC Corporations (Wholly owned Companies) Instrument 2016/785. The nature of the deed of cross guarantee is such that each company which is party to the deed guarantees to each creditor payment in full of any debt in accordance with the deed of cross guarantee.

In the directors' opinion, there are reasonable grounds to believe that the Company and the companies to which ASIC Corporations (Wholly owned Companies) Instrument 2016/785 applies, as detailed in note 5.3 to the financial statements will, as a group, be able to meet any liabilities to which they are, or may become, subject because of the deed of cross guarantee.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the Corporations Act 2001.

Dated at PERTH, Western Australia, 20 August 2024.



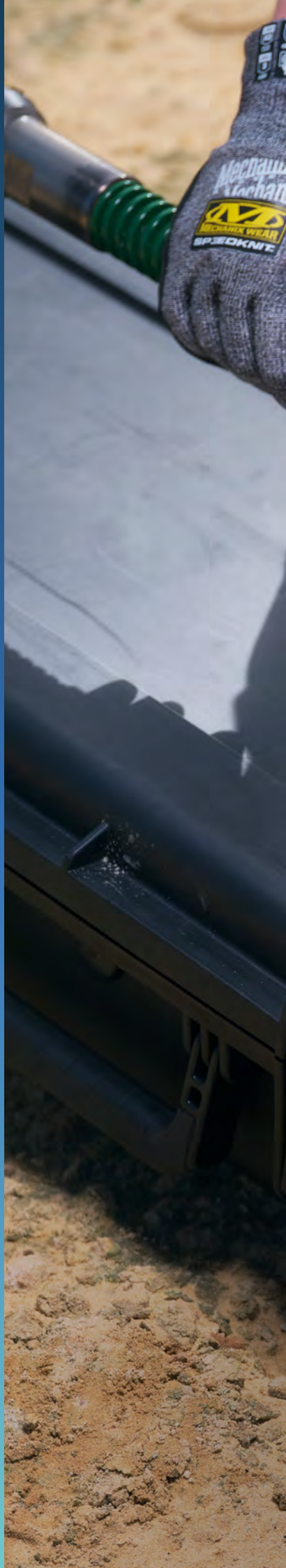
Anthony Wooles

IMDEX Chairman

For personal use only

For personal use only

Financial Report





Devico DeviGyroOX™

For personal use only

Contents

For personal use only

Financial Statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income 79

Consolidated Statement of Financial Position 80

Consolidated Statement of Changes in Equity 81

Consolidated Statement of Cash Flows 82

About this Report 83

1.1 Basis of Presentation

1.2 Basis of Consolidation

1.3 Changes to Accounting Policies

1.4 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

Operating Performance 85

2.1 Earnings per Share

2.2 Segment Information

2.3 Revenue and Expenses

2.4 Dividends

2.5 Individually Significant Items

2.6 Impairment Loss Net of Related Fair Value Adjustment

Debt & Capital 91

3.1 Cash and cash equivalents

3.2 Borrowings

3.3 Issued Capital

3.4 Financial Risk Management

3.5 Commitments for Expenditure

Other Assets & Liabilities 97

4.1 Trade and Other Receivables

4.2 Inventories

4.3 Property, Plant & Equipment

4.4 Leases

4.5 Intangible Assets

4.6 Trade & Other Payables

4.7 Provisions

4.8 Investment in Associates

4.9 Assets Classified as Held For Sale

Others 109

5.1 Taxation

5.2 Acquisition of Subsidiaries/Assets

5.3 Parent Entity & Subsidiary Information

5.4 Reserves

5.5 Contingent Assets & Liabilities

5.6 Key Management Personnel Compensation

5.7 Related Party Transactions

5.8 Auditor's Remuneration

5.9 Subsequent Events

IMDEX LIMITED

and its controlled entities

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Year Ended 30 June 2024 $'000	Year Ended 30 June 2023 $'000
Continuing operations			
Revenue from sale of goods, rentals, services and software	2.3	445,284	411,398
Raw materials and consumables used		(125,773)	(128,093)
Employee benefits expense	2.3	(126,789)	(105,224)
Depreciation and amortisation expense	2.3	(53,048)	(41,188)
Finance income		2,591	996
Finance costs	2.3	(12,290)	(5,725)
Impairment loss net of related fair value adjustment	2.6	(7,369)	(372)
Other expenses	2.3	(69,252)	(75,523)
Share of loss of associates	4.8	(3,221)	(1,672)
Profit before tax from continuing operations		**50,133**	**54,597**
Income tax expense	5.1	(17,734)	(19,602)
Profit for the period from continuing operations		**32,399**	**34,995**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences arising on the translation of foreign operations		(9,697)	4,715
Other comprehensive income for the year, net of income tax		(9,697)	4,715
Total comprehensive income for the year		22,702	39,710
Profit attributable to owners of the parent		32,399	34,995
Total comprehensive income attributable to owners of the parent		22,702	39,710
Earnings per share			
Basic profit per share (cents)	2.1	6.36	7.95
Diluted profit per share (cents)	2.1	6.03	7.55

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

For personal use only

IMDEX LIMITED

and its controlled entities

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Notes	30 June 2024 $'000	30 June 2023[(i)] $'000
Current assets			
Cash and cash equivalents	3.1	47,132	58,128
Trade and other receivables	4.1	90,646	90,072
Inventories	4.2	63,007	67,457
Current tax assets	5.1	4,915	6,981
Assets classified as held for sale	4.9	-	7,351
Other		11,503	11,346
Total current assets		217,203	241,335
Non-current assets			
Property, plant and equipment	4.3	56,568	57,876
Right-of-use assets	4.4	37,600	32,120
Intangible assets	4.5	414,466	426,843
Investment in associates	4.8	11,271	13,871
Deferred tax assets	5.1	44,837	34,410
Loans to associates		1,587	-
Other		2,612	4,635
Total non-current assets		568,941	569,755
Total assets		786,144	811,090
Current liabilities			
Trade and other payables	4.6	43,902	46,823
Lease liabilities	4.4	5,795	5,789
Current tax liabilities	5.1	9,181	8,916
Borrowings	3.2	28,000	28,000
Provisions	4.7	8,275	7,973
Total current liabilities		95,153	97,501
Non-current liabilities			
Lease liabilities	4.4	39,720	32,511
Borrowings	3.2	54,138	95,048
Provisions	4.7	368	293
Deferred tax liabilities	5.1	25,488	29,529
Total non-current liabilities		119,714	157,381
Total liabilities		214,867	254,882
Net assets		571,277	556,208
Equity			
Issued capital	3.3	409,546	401,164
Reserves	5.4	13,348	20,680
Retained earnings		148,383	134,364
Total equity		571,277	556,208

The Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

(i) The prior period amounts have been restated as a result of finalising the purchase price allocation for the Devico acquisition (refer to Note 5.2).

For personal use only

IMDEX LIMITED

and its controlled entities

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Shares Reserved for Performance Rights Plan $'000	Foreign Currency Translation Reserve $'000	Share-based Payment Reserve $'000	Reserves Total $'000	Fully Paid Ordinary Shares $'000	Retained Earnings $'000	Total Attributable to Equity Holders of the Entity $'000
Balance at 30 June 2022		**(1,586)**	**(3,041)**	**18,262**	**13,635**	**169,078**	**114,513**	**297,226**
Exchange differences on translation of foreign operations after taxation		-	4,715	-	4,715	-	-	4,715
Profit for the year		-	-	-	-	-	34,995	34,995
Total comprehensive income for the year		-	4,715	-	4,715	-	34,995	39,710
Share based payments – performance rights	2.3	(906)	-	9,076	8,170	-	-	8,170
Tax effect on the share-based payments		-	-	943	943	-	-	943
Settlement of performance rights		-	-	(3,511)	(3,511)	-	-	(3,511)
Share based payments – MinePortal	5.2	-	-	(3,272)	(3,272)	3,272	-	-
Equity raising in relation to the acquisition of Devico AS	5.2	-	-	-	-	215,824	-	215,824
Shares issued as partial consideration for the acquisition of Devico AS	5.2	-	-	-	-	12,990	-	12,990
Dividends paid		-	-	-	-	-	(15,144)	(15,144)
Balance at 30 June 2023		**(2,492)**	**1,674**	**21,498**	**20,680**	**401,164**	**134,364**	**556,208**
Exchange differences on translation of foreign operations after taxation		-	(9,697)	-	(9,697)	-	-	(9,697)
Profit for the year		-	-	-	-	-	32,399	32,399
Total comprehensive income for the year		-	(9,697)	-	(9,697)	-	32,399	22,702
Share based payments – performance rights	2.3	(1,307)		11,498	10,191	-	-	10,191
Tax effect on the share-based payments				556	556	-	-	556
Settlement of performance rights		-	-	(5,983)	(5,983)	5,983	-	-
Share based payments – MinePortal	5.2	-	-	(2,399)	(2,399)	2,399	-	-
Dividends paid		-	-	-	-	-	(18,380)	(18,380)
Balance at 30 June 2024		**(3,799)**	**(8,023)**	**25,170**	**13,348**	**409,546**	**148,383**	**571,277**

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

For personal use only

IMDEX LIMITED

and its controlled entities

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Notes	Year Ended 30 June 2024 $'000	Year Ended 30 June 2023 $'000
Cash flows from operating activities			
Receipts from customers		474,015	437,064
Payments to suppliers and employees		(350,065)	(333,015)
Income tax paid		(18,495)	(22,539)
Interest received		2,591	996
Net cash generated from operating activities	3.1	108,046	82,506
Cash flows from investing activities			
Payment for property, plant and equipment		(29,323)	(20,942)
Payment for intangible assets		(4,186)	(6,213)
Payment for deferred consideration		-	(3,308)
Payment for acquisitions (net of cash acquired)		-	(305,295)
Payment for the investment in associates		(792)	(10,367)
Loans advanced to associates		(1,595)	-
Net cash used in investing activities		(35,896)	(346,125)
Cash flows from financing activities			
Repayment of borrowings		(58,000)	(15,910)
Proceeds from borrowings, net of costs		14,837	117,079
Interest and other costs of finance paid		(7,832)	(3,202)
Proceeds from issue of ordinary shares, net of costs		-	215,824
Dividends paid		(18,380)	(15,144)
Cash paid due to settlement of performance rights		-	(3,511)
Repayment of lease liabilities		(10,014)	(9,275)
Net cash provided by/(used) in financing activities		(79,389)	285,861
Net increase/(decrease) in cash and cash equivalents		(7,239)	22,242
Cash and cash equivalents at the beginning of the financial year		58,128	36,368
Effects of foreign exchange rate changes		(3,757)	(482)
Cash and cash equivalents at the end of the financial year	3.1	47,132	58,128

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

For personal use only

ABOUT THIS REPORT

IMDEX Limited (the "Company") is a listed public company, incorporated in Western Australia and along with its subsidiaries (collectively the "Group") operates in Asia-Pacific, Africa / Europe and the Americas. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

1.1 Basis of Presentation

The Financial Report has been prepared on the going concern basis and on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted and accounting policies have been applied consistently in all periods presented.

The amounts contained in the financial report have been rounded to the nearest $1,000 (where rounding is applicable) where noted ($'000) under the option available to the Company under *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. The Company is an entity to which this legislative instrument applies.

The Financial Report:

- has been prepared in accordance with Australian Accounting Standards (AASBs), including Australian Accounting Interpretations adopted by the Australian Accounting Standards Board, and the *Corporations Act 2001*. The Financial Report of the Group also complies with International Financial Reporting Standards (IFRSs) and Interpretations as issued by the International Accounting Standards Board (IASB);
- presents reclassified comparative information where appropriate to enhance comparability with the current period presentation.
- adopts all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Group and effective for reporting periods beginning on or after 1 July 2023. Refer to note 1.3 for further details;
- does not early adopt any Accounting Standards and Interpretations that have been issued or amended but are not yet effective, unless otherwise disclosed. Refer to note 1.3 for further details; and

The financial statements were authorised for issue by the Directors on 20 August 2024.

1.2 Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company has power over an entity and is exposed to, or has rights over, the variable returns of the entity, as well as the ability to use this power to affect the variable returns of the entity.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary that does not result in a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary;
- derecognises the carrying amount of any non-controlling interest;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss, and;
- reclassifies to profit or loss or transfers directly to retained earnings, as appropriate, the parent's share of components previously recognised in other comprehensive income.

Certain prior year disclosures have been reclassified for consistency with the current year presentation. These reclassifications are not material to the current period financial report.

1.3 Changes to Accounting Policies

Except as described below, the accounting policies applied by the Group in its financial statements are the same as those applied by the Group in its consolidated financial report for the year ended 30 June 2023.

New and amendments accounting standards and interpretations adopted:

AASB 2023-2	Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules.

For personal use only

1.3 Changes to Accounting Policies (continued)

The Group applied the mandatory exception to the recognition and disclosure of deferred taxes arising from OECD Pillar Two income taxes for the first time for the annual reporting period ending 30 June 2023. As at 30 June 2024, the Group is not considered to be within scope of the Pillar Two as the consolidated revenue is lower than the threshold.

AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

New and amended standards issued but not yet effective:

Except as described below, there are no new standards or interpretations that are not yet effective that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions:

AASB 18 Presentation and Disclosure in Financial Statements.

1.4 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined in the following notes:

2.3 – Revenue recognition – estimating variable consideration for volume rebates

4.1 – Recoverability of receivables

4.3 – Recoverability of non-current assets

4.4 – Leases

4.5 – Intangible assets

4.8 – Investments in associates

5.1 – Taxation

5.2 – Acquisition of subsidiaries/assets

5.4 – Share-based payments

For personal use only

OPERATING PERFORMANCE

2.1 Earnings per share

	2024 $'000	2023 $'000
Profit attributable to equity holders of the Company in the calculation of basic and diluted earnings per share	32,399	34,995
	Number of Shares	
Weighted average number of shares used in the calculation:		
Number of shares for basic earnings per share	509,799,776	440,417,327
Effect of dilutive share rights	27,622,961	41,816,754
Number of shares for diluted earnings per share	537,422,737	482,234,081
From continuing operations		
Basic earnings per share		
Including individually significant items	6.36	7.95
Excluding individually significant items (Note 2.5)	9.24	12.01
Diluted earnings per share	6.03	7.55

2.2 Segment information

The primary means by which the Board views the business and makes key decisions is based on geographical lines.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Group), whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. Management will also consider other factors in determining operating segments such as the existence of a regional general manager and the level of segment information presented to the Board of Directors.

Information reported to the CODM for the purposes of resource allocation and assessment of segment performance focuses on the regions serviced. The Directors of the Company have chosen to organise the Group around different geographical markets serviced by the entity's products and services.

No operating segments have been aggregated in arriving at the reportable segments of the Group. All segments are in the business of the manufacture and sale/rental of products and software to the mining sector along the following geographical lines:

AM – Americas
APAC – Asia Pacific
AE – Africa / Europe

The operating segment results include the results of the Devico Group following completion of the acquisition on 28 February 2023.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise deferred tax assets, treasury cash, net financing costs for the Group and the corporate portion of head office costs. Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

The following is an analysis of the revenue and results for the year, analysed by reportable segment.

For personal use only

2.2 Segment information (continued)

Segment results

2024	AM – Americas	APAC – AsiaPac	AE – Africa / Europe	Segment Total	IMDEX Product[(i)]	Central administration costs[(ii)]	Un-allocated[(iii)]	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue from sale of goods, rentals and software	215,831	116,378	113,075	**445,284**	-	-	-	**445,284**
Results before individually significant items (Note 2.5)								
Earnings before individually significant items, interest, income tax, depreciation and amortisation	84,494	45,816	55,416	**185,726**	(41,678)	(10,109)	(3,218)	**130,721**
Depreciation and amortisation expenses	(27,029)	(13,579)	(11,481)	**(52,089)**	(476)	(483)	-	**(53,048)**
Finance income	-	-	-	**-**	-	-	2,591	**2,591**
Finance costs	(793)	(913)	(492)	**(2,198)**	-	(214)	(9,878)	**(12,290)**
Profit before tax before individually significant items (Note 2.5)	**56,672**	**31,324**	**43,443**	**131,439**	**(42,154)**	**(10,806)**	**(10,505)**	**67,974**
Income tax expense					-	-	(20,875)	**(20,875)**
Profit after tax before individually significant items (Note 2.5)	**56,672**	**31,324**	**43,443**	**131,439**	**(42,154)**	**(10,806)**	**(31,380)**	**47,099**
Individually significant items (Note 2.5)								
Gross individually significant items	-	-	-	-	-	-	(17,841)	(17,841)
Tax on individually significant items	-	-	-	-	-	-	3,141	3,141
Net individually significant items	-	-	-	-	-	-	(14,700)	(14,700)
Profit after tax								**32,399**

2023								
Revenue from sale of goods, rentals and software	190,431	119,129	101,838	**411,398**	-	-	-	**411,398**
Results before individually significant items (Note 2.5)								
Earnings before individually significant items, interest, income tax, depreciation and amortisation	76,546	44,956	51,993	**173,495**	(39,677)	(9,568)	(1,672)	**122,578**
Depreciation and amortisation expenses	(21,632)	(10,339)	(8,167)	**(40,138)**	(869)	(181)	-	**(41,188)**
Finance income	-	-	-	**-**	-	-	996	**996**
Finance costs	(484)	(846)	(275)	**(1,605)**	-	(76)	(4,044)	**(5,725)**
Profit before tax before individually significant items (Note 2.5)	**54,430**	**33,771**	**43,551**	**131,752**	**(40,546)**	**(9,825)**	**(4,720)**	**76,661**
Income tax expense	-	-	-	**-**	-	-	(23,756)	**(23,756)**
Profit after tax before individually significant items (Note 2.5)	**54,430**	**33,771**	**43,551**	**131,752**	**(40,546)**	**(9,825)**	**(28,476)**	**52,905**
Individually significant items (Note 2.5)								
Gross individually significant items	-	-	-	-	-	-	(22,064)	(22,064)
Tax on individually significant items	-	-	-	-	-	-	4,154	4,154
Net individually significant items	-	-	-	-	-	-	(17,910)	(17,910)
Profit after tax								**34,995**

(i) IMDEX Product includes Research and Development, Software Development, Product Management and Intellectual Property activities. Included in IMDEX Product is R&D spend which has been adjusted during the period to include product management activities. Comparative has been restated. R&D spend (excluding capitalised development costs) for the period totals $34.4 million (FY23: $32.4 million).

(ii) Central administration costs comprise the corporate portion of head office costs. Head office costs attributable to operations are allocated to reportable segments in proportion to the revenues earned from those segments.

(iii) Unallocated items include the share of loss of an associate, Individually Significant Items (ISI), finance income and finance costs associated with the Group treasury function. Interest on lease liabilities is considered directly attributable to the segments and has been included in their segment results.

For personal use only

2.2 Segment information (continued)

Segment assets and liabilities

	Assets		Liabilities	
	2024	**2023**[(i)]	**2024**	**2023**[(i)]
	$'000	**$'000**	**$'000**	**$'000**
AM – Americas	352,388	366,135	31,985	29,141
APAC – AsiaPac	166,889	164,479	45,767	46,717
AE – Africa / Europe	157,125	155,869	20,308	17,027
Total of all segments	676,402	686,483	98,060	92,885
Unallocated	109,742	124,607	116,807	161,997
Consolidated	786,144	811,090	214,867	254,882

For the purposes of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments other than tax assets, investment in associate, assets classified as held for sale and treasury cash.
- All liabilities are allocated to reportable segments other than tax liabilities and external loan.

Other segment information

	AM – Americas	**APAC – AsiaPac**	**AE – Africa / Europe**	**Unallocated**	**Total**
2024	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Acquisition of segment net assets	-	-	-	-	-
2023					
Acquisition of segment net assets[(i)]	225,303	60,432	74,939	(25,276)	335,398

(i) The prior period amounts have been restated as a result of finalising the purchase price allocation for the Devico acquisition (refer to Note 5.2).

For personal use only

OPERATING PERFORMANCE

2.3 Revenue and expenses

	Note	2024 $'000	2023 $'000
Revenue			
Sale of goods[(i)]		158,998	166,229
Rentals, services and software[(ii)]		286,286	245,169
		445,284	411,398

(i) The Group typically satisfies the obligation associated with the sale of drilling fluids and equipment at a point in time upon shipment or delivery when control is transferred to customers.

(ii) The Group typically satisfies the obligation to provide rental products and services and software subscriptions over time.

Revenue from contracts with customers is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is recognised net of allowances for returns and customer claims and any taxes collected from customers, which are subsequently remitted to government authorities. Contract assets and contract liabilities are not material to the Group's financial position.

Key Estimates and Judgements

Determining whether products and services and software subscriptions are considered distinct performance obligations that should be accounted for separately versus together requires significant judgement. The Group provides products and services to its customers based on contracts that may contain several elements but for the majority of contracts, these elements represent only one single performance obligation for which revenue is recognised. Software revenue is presented together with rental revenue, given the high level of integration between our sensors and software technologies (in particular IMDEX HUB-IQ).

The Group may be entitled to variable consideration in several forms which are determined through its agreements with customers. The Group can offer prompt payment discounts, sales rebates or other incentive payments to customers. Sales rebates and other incentive payments are typically awarded upon achievement of certain performance metrics, including volume. The Group utilises forecasted sales data and rebate percentages specific to each customer agreement and updates its judgement of the amount to which the customer is entitled each period, to determine the variable consideration to be received.

Expense analysis by nature:

	Note	2024 $'000	2023 $'000
Employee benefits expense			
Salaries and wages[(i)]		(109,072)	(90,914)
Defined contribution superannuation/pension costs		(7,527)	(6,140)
Share based payments[(i)]		(10,190)	(8,170)
		(126,789)	(105,224)
Depreciation and amortisation expense			
Depreciation of property, plant and equipment	4.3	(28,123)	(26,453)
Depreciation of right-of-use assets	4.4	(9,006)	(7,157)
Amortisation of intangible assets	4.5	(15,919)	(7,578)
		(53,048)	(41,188)
Finance costs			
Interest on lease liabilities	4.4	(2,411)	(1,681)
Amortisation of borrowing costs		(2,047)	(359)
Interest and other financing costs		(7,832)	(3,685)
		(12,290)	(5,725)

For personal use only

OPERATING PERFORMANCE

2.3 Revenue and expenses (continued)

	Note	2024 $'000	2023 $'000
Other expenses			
Consulting, audit and legal expenses (ii) (iii)		(17,127)	(34,854)
Facilities and utilities expenses		(5,888)	(4,471)
Travel and accommodation(ii)		(12,396)	(10,747)
Slow-moving and obsolete stock		(1,989)	(189)
Allowance for expected credit losses	4.1	(3,615)	(1,658)
Software and network infrastructure(ii)		(7,566)	(5,971)
Materials associated with developing technologies		(3,189)	(3,747)
Other expenses(ii)		(17,482)	(13,886)
		(69,252)	(75,523)

(i) The current period expenses include costs associated with the Devico acquisition and integration activity, impacting expenses presented above: salaries and wages of $3.3 million (FY23: $0.5 million) and share based payments of $5.2 million (FY23: $1.0 million). Refer to Note 2.5 Individually Significant Items for further disclosures.

(ii) The current period expenses include costs associated with the Devico acquisition and integration activity, impacting expenses presented above: consulting expenses of $1.1 million (FY23: $7.0 million); travel and accommodation of $0.7 million (FY23: $0.7 million); software and network infrastructure of $0.1 million (FY23: $0.3 million), exceptional litigation cost nil (FY23: $11.1 million) and other expenses of $0.1 million (FY23: $1.1 million). Refer to Note 2.5 Individually Significant Items for further disclosures.

(iii) Includes legal, audit, taxation, share registry, corporate secretarial fees and consulting services.

Defined contribution plans

Contributions to defined contribution superannuation/pension plans are expensed when incurred.

2.4 Dividends

The following dividends have been paid by the Company or declared by the Directors since the commencement of the financial year ended 30 June 2024:

(i) FY23 fully-franked final dividend of 2.1 cents (2022: 1.9 cents) per share paid on 12 October 2023;

(ii) FY24 fully-franked interim dividend of 1.5 cents (2023: 1.5 cents) per share paid on 28 March 2024; and

(iii) FY24 fully-franked final dividend of 1.3 cents (2023: 2.1 cents) per share to be paid on 10 October 2024.

The franking account balance is $25.2 million (2023: $35.8 million).

For personal use only

OPERATING PERFORMANCE

2.5 Individually significant items (ISIs)

Profit after tax includes the following expenses whose disclosure is relevant in explaining the financial performance of the Group:

2024	Gross $'000	Tax $'000	Net $'000
Devico integration and organisation design costs	(10,472)	3,141	(7,331)
Impairment of assets classified as held for sale (Note 2.6)	(7,369)	-	(7,369)
Total individually significant items	**(17,841)**	**3,141**	**(14,700)**

- Devico integration and organisation design costs include integration plus organisation design activities and associated KMP retention costs as well as KMP incentives.
- Impairment loss is related to the assets classified as held for sale associated with the MAGHAMMER technology (refer to note 4.9).

2023	Gross $'000	Tax $'000	Net $'000
Exceptional legal costs	(11,100)	3,330	(7,770)
Devico transaction and integration costs	(10,592)	824	(9,768)
Flexidrill settlement – residual cost (Note 2.6)	(372)	-	(372)
Total individually significant items	**(22,064)**	**4,154**	**(17,910)**

- Exceptional litigation costs of $11.1 million were incurred in the prior year, relating to costs incurred in respect of international IP infringement matters.
- Devico transaction and integration costs include M&A, due diligence and integration activities, as well as associated KMP retention costs.

2.6 Impairment loss net of related fair value adjustment

	Note	2024 $'000	2023 $'000
Impairment loss net of related fair value adjustment			
Flexidrill settlement – residual cost		-	(372)
Impairment of assets classified as held for sale	4.9	(7,369)	-
		(7,369)	(372)

During the current period, the Group continued to progress the divestment of MAGHAMMER however the intended sale did not occur. The Group has recognised an impairment loss on the carrying value of the major classes of assets associated with the MAGHAMMER Technology of $7.4 million (refer to Note 4.9).

During the prior period, the Group finalised a Deed of Termination and Settlement with the prior owners of the Flexidrill technologies, with final settlement of $1.8 million paid in August 2022. This resulted in a net $0.4 million expense during the period.

For personal use only

DEBT & CAPITAL

3.1 Cash and cash equivalents

Reconciliation of cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash includes cash at bank, cash on hand, deposits at call and cash held in mutual funds.

Cash at bank earns interest at floating rates based on daily bank deposit rates. Cash held in mutual funds represent cash investments which generate returns higher than cash at bank and can be accessed immediately if required.

Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:

	2024 $'000	2023 $'000
Cash at bank and on hand	47,132	58,128

Reconciliation from the profit for the year to net cash generated from operating activities

Profit for the year	32,399	34,995
Adjustments for non-cash items		
Depreciation and amortisation of non-current assets	53,048	41,188
Interest paid disclosed as financing activities	7,832	3,685
Allowance for expected credit losses	3,615	1,658
Share options and performance rights expensed	10,191	8,170
Share of loss of an associate	3,221	1,672
Impairment loss net of related fair value adjustment	7,369	372
Interest on lease liabilities	2,411	1,681
Amortisation of borrowing costs	2,047	359
Other	1,348	512
Changes in assets and liabilities during the financial year		
(Increase) / decrease in assets:		
Current receivables	(8,326)	(9,288)
Current inventories	2,958	(653)
Other current assets	(775)	(4,233)
Other non-current assets	2,023	(1,084)
Increase / (decrease) in liabilities:		
Current payables	(11,062)	5,638
Provision for employee entitlements	508	771
Current and deferred tax liability	(761)	(2,937)
Net cash generated from operating activities	108,046	82,506

For personal use only

DEBT & CAPITAL

3.2 Borrowings

	2024 $'000	2023 $'000
Current borrowings - secured		
JP Morgan Australia	28,000	28,000
	28,000	28,000
Non-current borrowings - secured		
Commonwealth Bank of Australia	-	12,542
JP Morgan Australia	54,138	82,506
	54,138	95,048
Total	**82,138**	**123,048**

	30 June 2023	Drawn	Repaid	Foreign Exchange Movement	Capitalised Borrowing Costs	Amortisation Borrowing Costs	30 June 2024
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Total borrowings							
Commonwealth Bank of Australia Facility	12,542	4,500	(17,250)	141	-	67	-
JP Morgan Australia Facility	110,506	12,530	(40,750)	65	(2,193)	1,980	82,138
Total	**123,048**	**17,030**	**(58,000)**	**206**	**(2,193)**	**2,047**	**82,138**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable fees, premiums paid and transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

The key terms of the Commonwealth Bank Facility are as follows:

Term: Multicurrency, Multi Option Revolving Facility has no repayment requirements other than at expiry. The facility is due to expire on 31 January 2025.

Maximum Facility: $30 million.

Drawn Balance at 30 June 2024: bank guarantees $1.2 million, credit cards $0.2 million.

Undrawn Balance at 30 June 2024: $28.6 million.

Effective Interest Rate: 4.37%.

The key terms of the JP Morgan Australia A$84 million Amortising Term Loan facility are as follows:

Term: Amortising Term Loan with repayment instalments of $7 million per calendar quarter. The facility is due to expire on 19 January 2026.

Contractual Interest Rate: Floating rate plus a margin

Effective Interest Rate: 8.88%.

The key terms of the JP Morgan Australia A$36 million Revolving Working Capital facility are as follows:

Term: Multi-currency Revolving Working Capital facility. The facility is due to expire on 19 January 2027.

Maximum Facility: $36 million

Drawn Balance at 30 June 2024: $36 million.

Undrawn Balance at 30 June 2024: nil.

Contractual Interest Rate: Floating rate plus a margin

Effective Interest Rate: 8.88%.

The facilities are secured against the assets of key entities across the IMDEX group, located across Australia, New Zealand, Europe and the Americas, and subject to typical financial covenants.

For personal use only

For personal use only

3.3 Issued capital

	Notes	2024 Number	2024 $'000	2023 Number	2023 $'000
Issued and Paid-Up Capital - Fully paid ordinary shares					
Balance at beginning of the financial year		505,454,641	401,164	396,452,400	169,078
Shares issued relating to the MinePortal acquisition	(ii)	1,578,117	2,399	1,578,117	3,272
Issue of shares under performance rights		1,769,719	2,766	-	-
Issue of shares under STI award		1,743,955	3,217	-	-
Shares issued in the equity raising related to the acquisition of Devico AS	(iii)	-	-	101,943,277	215,824
Shares issued as partial consideration for the acquisition of Devico AS	(iii)	-	-	5,480,847	12,990
Closing balance at end of the financial year	(i)	510,546,432	409,546	505,454,641	401,164

(i) Fully paid ordinary shares carry one vote per share and carry the right to dividends.

(ii) During the period, the Company issued 1.6 million ordinary shares in connection with the acquisition of MinePortal. Refer to Note 5.2.

(iii) During the prior period, the Company issued 101.9 million ordinary shares in the equity raising in connection with the acquisition of Devico AS and issued 5.5m ordinary shares as part of the acquisition consideration. Refer to Note 5.2.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

Where any Group company purchases the Company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued.

Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

3.4 Financial risk management

Categories of financial instruments	2024 $'000	2023 $'000
Financial assets carried at amortised cost		
Cash and cash equivalents	47,132	58,128
Trade and other receivables	90,646	90,072
Non-current assets - other	2,612	4,635
	140,390	152,835
Financial liabilities carried at amortised cost		
Trade and other payables	43,902	46,823
Lease liabilities	45,515	38,300
Borrowings	82,138	123,048
	171,555	208,171

Financial risk management objectives

The Group is exposed to financial risks through the normal course of its business operations. The key financial risks impacting the Group relate to its financial instruments as per those disclosed in the statement of financial position. Specifically, those key risks are considered to be foreign currency risk and interest rate risk. The Group monitors its exposure to these risks on a regular basis and may enter into derivative financial instruments to manage these risks where appropriate. There are no derivative financial instruments in operation at the reporting date.

3.4 Financial risk management (continued)

Foreign currency risk management

The functional currency of the Company is Australian dollars. Certain financial instruments of the Group are exposed to movements in various currencies. The Group undertakes certain transactions denominated in foreign currencies, hence exposures to foreign exchange rate fluctuations arise. Exchange rate exposures are managed with the use of natural hedges where possible and with the use of financial instruments where benefit outweighs cost within approved policy parameters. During the current and prior year no derivative instruments were used to manage foreign exchange risk.

Exposure

The carrying amount in Australian dollars of the Group's monetary assets and liabilities denominated in currencies other than Australian dollars at the reporting date are as per the table below. Non-Australian dollar liabilities include trade creditors and borrowings recorded in Australian as well as non-Australian entities. Non-Australian dollar assets include cash on hand and debtors recorded in Australian as well as non-Australian entities. Any fluctuation in exchange rates relative to the Australian dollar will cause the below assets and liabilities to change in value.

	Liabilities		Assets	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
United States Dollars	17,331	16,958	53,524	63,255
Euro	1,232	863	12,839	10,066
South African Rand	755	680	7,119	5,259
Canadian Dollars	1,311	2,089	13,934	13,234
Chilean Pesos	609	667	6,147	8,017
Norwegian Krone	793	1,172	2,751	6,894
Argentine Pesos	43	47	1,704	2,237
Other	384	620	9,204	8,785

Sensitivity

The Group is mainly exposed to United States Dollars, Euro and Canadian Dollars, Chilean Pesos and Norwegian Krone. The table below shows the Group's main exposure to foreign currency transactional risk (Australian dollar equivalent) and the effect on profit or loss and equity had exchange rates been 10% higher or lower than the year end rate with all other variables held constant.

	United States Dollar Impact		Canadian Dollar Impact	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
10% increase	3,619	4,630	1,262	1,114
10% decrease	(3,619)	(4,630)	(1,262)	(1,114)
	Euro Impact		Chilean Pesos Impact	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
10% increase	1,161	920	554	735
10% decrease	(1,161)	(920)	(554)	(735)
	Norwegian Krone Impact			
	2024 $'000	2023 $'000		
10% increase	196	572		
10% decrease	(196)	(572)		

For personal use only

For personal use only

3.4 Financial risk management (continued)

Sensitivity (continued)

The following table details the Group's sensitivity to a 100% (2023: 100%) increase or decrease in the Australian Dollar against Argentine Pesos which is experiencing hyperinflation.

	Argentine Pesos Impact	
	2024	**2023**
	$'000	**$'000**
100% increase	1,660	2,189
100% decrease	(1,660)	(2,189)

Profit / (loss) impacts are mainly attributable to exposure on cash, trade receivables and payables at the reporting date denominated in the applicable foreign currency.

Interest rate risk management

The Group's cash flow is exposed to interest rate risk as entities in the Group borrow, lend and deposit funds at floating rates of interest. The following table details the Group's pre-tax loss sensitivity to a 1% increase and decrease in variable interest rates:

	Consolidated Impact	
	2024	**2023**
	$ '000	**$ '000**
Increased interest rate	(1,277)	(1,613)
Decreased interest rate	1,277	1,613

Credit risk management

The Group's maximum exposure to credit risk is the carrying amount of those assets as indicated in the statement of financial position. Credit risk on financial instruments refers to the potential financial loss to the Group that may result from counterparties failing to meet their contractual obligations. The Group manages its counterparty risk by limiting its transactions to counterparties of sound credit worthiness. The Group faced no significant credit exposures at the balance date.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who monitors short, medium and long term liquidity requirements through the use of financial models. The treasury function reports regularly to key management personnel and the Board on matters affecting liquidity risk. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. At 30 June 2024 the Company/Group has undrawn facilities of $28.6 million (2023: $16.2 million).

Maturity of financial liabilities

The following tables detail the Company's and the Group's remaining contractual maturity for its non–derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group may be required to pay. The table includes both interest and principal cash flows.

	Average effective interest rate	0-3 months	3 months to 1 year	1-5 years	5+ years	Total
	%	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
2024						
Trade and other payables	-	43,902	-	-	-	43,902
Lease liabilities	5.4%	1,656	4,968	26,841	18,124	51,589
Borrowings	8.9%	7,000	21,000	54,138	-	82,138
		52,558	25,968	80,979	18,124	177,629
2023						
Trade and other payables	-	46,823	-	-	-	46,823
Lease liabilities	4.6%	2,177	6,530	24,393	21,388	54,488
Borrowings	5.8%	7,000	21,000	95,048	-	123,048
		56,000	27,530	119,441	21,388	224,359

3.4 Financial risk management (continued)

Maturity of financial assets

The following tables detail the Company's and the Group's remaining contractual maturity for its financial assets. The tables have been drawn up based on the undiscounted cash flows of financial assets including interest that will be earned on those assets except where the Company/Group anticipates that the cash flow will occur in a different period.

	Average effective interest rate %	0-3 months $'000	3 months to 1 year $'000	1-5 years $'000	5+ years $'000	Total $'000
2024						
Trade and other receivables		90,646	-	-	-	90,646
Non-current assets - other		-	-	2,612	-	2,612
Cash and cash equivalents	4.7%	47,132	-	-	-	47,132
		137,778	-	2,612	-	140,390
2023						
Trade and other receivables		90,072	-	-	-	90,072
Non-current assets - other		-	-	4,635	-	4,635
Cash and cash equivalents	1.6%	58,128	-	-	-	58,128
		148,200	-	4,635	-	152,835

Non- derivative financial instruments

Recognition and measurement

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition these instruments are measured as set out below. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular purchases or sales of financial assets are recognised and derecognised on a trade date basis, where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

Fair value of financial Instruments

The Directors consider that the carrying amount of financial assets and liabilities recorded in the financial statements represents or approximate their respective fair values.

3.5 Commitments for expenditure

Capital expenditure commitments

At 30 June 2024 the Group had $0.5 million capital commitments (2023: $4.2 million).

For personal use only

OTHER ASSETS & LIABILITIES

4.1 Trade and other receivables

	Notes	2024 $'000	2023 $'000
Current			
Trade receivables	(i)	96,487	92,374
Less allowance for expected credit losses	(iii)	(9,498)	(6,670)
		86,989	85,704
Other receivables and accrued income		3,657	4,368
	(ii)	90,646	90,072

(i) The average credit period on sales of goods is approximately 60 days. Trade receivables are interest free unless outside of terms at which point interest may be charged.

(ii) The net carrying amount of trade and other receivables approximates their fair values.

(iii) Movement in the loss allowance			
Balance at the beginning of the year		6,670	3,951
Acquisition of subsidiaries		-	1,422
Written off during the year		(787)	(361)
Allowance for expected credit losses	2.3	3,615	1,658
Balance at the end of the year		9,498	6,670

The Expected Credit Loss (ECL) calculation for trade receivables considers both quantitative information from historic losses as well as qualitative information on different debtor profiles. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The assessment of the correlation between historical loss rates, forecast economic conditions and ECLs is a significant estimate. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Directors believe that there is no further credit provision required in excess of the loss allowance above.

The Group does not hold any collateral over these balances.

4.2 Inventories

	2024 $'000	2023 $'000
Current		
Raw materials	3,659	4,170
Work in progress	1,650	1,072
Finished goods[(i)]	57,698	62,215
	63,007	67,457

(i) The prior period amounts have been restated as a result of finalising the purchase price allocation for the Devico acquisition (refer to Note 5.2).

Inventories are valued at the lower of cost or net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

Inventory includes an allowance for slow moving and obsolete stock of $5.8 million (2023: $3.9 million).

For personal use only

OTHER ASSETS & LIABILITIES

4.3 Property, plant and equipment

	Notes	Plant and Equipment at cost $'000	Leasehold Improvements at cost $'000	Capital Works in Progress at cost $'000	TOTAL $'000
2024					
Cost		171,040	13,504	2,033	186,577
Accumulated depreciation and impairment loss		(121,606)	(8,403)	-	(130,009)
Total carrying value		49,434	5,101	2,033	56,568
Movement					
Carrying amount at the beginning of the year[(ii)]		53,632	2,099	2,145	57,876
Additions/transfers within property, plant and equipment[(i)]		24,671	4,636	16	29,323
Depreciation expense	2.3	(26,483)	(1,640)	-	(28,123)
Foreign currency exchange differences		(2,386)	6	(128)	(2,508)
Carrying amount at the end of the year		**49,434**	**5,101**	**2,033**	**56,568**

2023					
Cost		148,755	8,862	2,145	159,762
Accumulated depreciation and impairment loss		(95,123)	(6,763)	-	(101,886)
Total carrying value		53,632	2,099	2,145	57,876
Movement					
Carrying amount at the beginning of the year		49,877	2,531	3,130	55,538
Additions/transfers within property, plant and equipment[(i)]		21,294	588	(940)	20,942
Acquisition of subsidiaries[(ii)]	5.2	8,108	-	-	8,108
Depreciation expense	2.3	(25,454)	(999)	-	(26,453)
Foreign currency exchange differences		(193)	(21)	(45)	(259)
Carrying amount at the end of the year[(ii)]		**53,632**	**2,099**	**2,145**	**57,876**

(i) Includes external purchase and direct cost associated with internally manufactured plant and equipment.
(ii) The prior period amounts have been restated as a result of finalising the purchase price allocation for the Devico acquisition (refer to Note 5.2).

Property, plant and equipment

Plant and equipment and leasehold improvements are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Capital works in progress

Capital works in progress in the course of construction for production or supply purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.

Depreciation

Depreciation is calculated on a straight-line basis in order to write off the net cost of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the estimated useful life, using the straight-line method. The estimated useful lives and depreciation method are reviewed at the end of each annual reporting period, with the effect of any changes recognised on a prospective basis. The annual depreciation rate for plant and equipment is 20% to 33% and the annual depreciation rate for leasehold improvement is 10% to 33%. Depreciation of capital works in progress, on the same basis as other property, plant and equipment assets, commences when the assets are ready for their intended use.

For personal use only

OTHER ASSETS & LIABILITIES

4.4 Leases

Right of use assets	Notes	Land and Buildings $'000	Motor Vehicles $'000	Other $'000	TOTAL $'000
2024					
Cost		48,786	7,512	1,629	57,927
Accumulated depreciation		(15,794)	(3,914)	(619)	(20,327)
Total carrying value		32,992	3,598	1,010	37,600
Movement					
Carrying amount at the beginning of the year		26,199	3,395	2,526	32,120
Additions		10,203	2,196	1,641	14,040
Disposals		(649)	(143)	(1,805)	(2,597)
Lease remeasurements		3,172	48	-	3,220
Depreciation	2.3	(5,768)	(1,913)	(1,325)	(9,006)
Foreign currency exchange differences		(165)	15	(27)	(177)
Carrying amount at the end of the year		**32,992**	**3,598**	**1,010**	**37,600**
2023					
Cost		38,525	6,370	5,238	50,133
Accumulated depreciation		(12,326)	(2,975)	(2,712)	(18,013)
Total carrying value		26,199	3,395	2,526	32,120
Movement					
Carrying amount at the beginning of the year		24,425	2,998	766	28,189
Additions		696	1,741	3,232	5,669
Acquisition of subsidiaries		7,422	15	-	7,437
Disposals		(896)	(26)	(1)	(923)
Lease remeasurements		(816)	61	88	(667)
Other		(81)	-	(318)	(399)
Depreciation	2.3	(4,424)	(1,493)	(1,240)	(7,157)
Foreign currency exchange differences		(127)	99	(1)	(29)
Carrying amount at the end of the year		**26,199**	**3,395**	**2,526**	**32,120**

Lease liabilities	Notes	2024 $'000	2023 $'000
Opening		38,300	34,651
Additions		14,019	5,670
Acquisition of subsidiaries	5.2	-	7,437
Disposal of lease liability		(2,263)	(1,073)
Lease remeasurements		3,220	(667)
Repayments		(10,014)	(9,275)
Accretion of interest	2.3	2,411	1,681
Net foreign exchange differences		(158)	(124)
Carrying amount at 30 June		**45,515**	**38,300**
Current		5,795	5,789
Non-current		39,720	32,511
Carrying amount at 30 June		**45,515**	**38,300**

For personal use only

OTHER ASSETS & LIABILITIES

4.4 Leases (continued)

The table below presents the contractual undiscounted cash flows associated with the Group's lease liabilities, representing principal and interest. The figures will not necessarily reconcile with the amounts disclosed in the consolidated statement of financial position.

	2024 $'000	2023 $'000
Due for payment in:		
1 year or less	6,624	8,706
1-2 years	9,826	8,112
2-3 years	9,254	6,253
3-4 years	4,551	5,332
4-5 years	3,210	4,697
More than 5 years	18,124	21,388
	51,589	**54,488**

The Group recognises a Right-of-Use asset at the commencement date of the lease, initially measured at the present value of the future lease payments, with the right-of-use asset adjusted by the amount of any lease payments pre-commencement date plus any make good obligations.

The Right-of-Use asset is depreciated over the shorter of the asset's useful life and the term of the lease, on a straight-line basis. The useful life is within the range from 1-20 years.

Lease Liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date.

The lease payments include:

- Fixed payments, offset by any lease incentives receivable;
- Variable lease payments linked to an index or rate;
- Exercise price of a purchase option (where the Group is reasonably certain to exercise that option); and
- Payment of penalties for terminating the lease (where the life of the lease has assumed termination).

Lease liabilities are remeasured when there is a change in future lease payments resulting from a change in an index or rate, or a change in the assessed lease term. A corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount has been reduced to zero.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (which includes tablets and personal computers, small items of office furniture and telephones), the Group has opted to recognise a lease expense on a straight-line basis as permitted by AASB 16. This expense is presented within 'other expenses' in profit or loss (2024: $1.9 million, 2023: $1.7 million).

Key Estimates and Judgements

(a) Control

Judgement is required to assess whether a contract is or contains a lease at inception by assessing whether the Group has the right to direct the use of the identified asset and obtain substantially all the economic benefits of the use of that asset.

(b) Lease term

Judgement is required when assessing the term of the lease and whether to include optional extension and termination periods. Option periods are only included in determining the lease term at inception when they are reasonably certain to be exercised. Lease terms are reassessed when a significant change in circumstances occurs.

The Group included the renewal period as part of the lease term for the lease of the corporate head office and the lease of the Western Australian manufacturing and distribution facility, as both properties were purpose built for the Group and the extensions of these leases is reasonably certain. Renewal options for motor vehicles are not included as part of the lease term because the Group typically leases vehicles for not more than five years and is not likely to exercise any renewal options.

(c) Discount rates

Judgement is required to determine the discount rate, where the discount rate is the Group's incremental borrowing rate if the rate implicit in the lease cannot be readily determined. The incremental borrowing rate is determined with reference to the Group's borrowing portfolio at the inception of the arrangement or the time of the modification. Refer to Note 3.2 Borrowings for the effective interest rate during the year.

For personal use only

OTHER ASSETS & LIABILITIES

4.5 Intangible assets

	Notes	Goodwill $'000	Intellectual property and other intangibles $'000	Software [(ii)] $'000	TOTAL $'000
At cost		325,332	137,826	18,472	481,630
Accumulated amortisation			(23,160)	(7,596)	(30,756)
Accumulated impairment losses		(24,295)	(12,113)	-	(36,408)
Net carrying amount as at 30 June 2024		301,037	102,553	10,876	414,466
Movement					
As at 30 June 2023		301,646	114,038	11,159	426,843
Additions		-	657	3,529	4,186
Amortisation expense	2.3	-	(12,129)	(3,790)	(15,919)
Foreign currency exchange differences		(609)	(13)	(22)	(644)
As at 30 June 2024		**301,037**	**102,553**	**10,876**	**414,466**
At cost		325,941	136,659	14,968	477,568
Accumulated amortisation		-	(10,508)	(3,809)	(14,317)
Accumulated impairment losses		(24,295)	(12,113)	-	(36,408)
Net carrying amount as at 30 June 2023		301,646	114,038	11,159	426,843
Movement					
As at 30 June 2023		62,200	28,546	7,047	97,793
Additions		-	201	6,012	6,213
Acquisition of assets/subsidiary [(i)]	5.2	238,938	97,200	-	336,138
Amortisation expense	2.3	-	(5,592)	(1,986)	(7,578)
Reclassified as held for sale[(iii)]	4.9	-	(6,970)	-	(6,970)
Foreign currency exchange differences		508	653	86	1,247
As at 30 June 2023		**301,646**	**114,038**	**11,159**	**426,843**

(i) The prior period amounts have been restated as a result of finalising the purchase price allocation for the Devico acquisition (refer to Note 5.2).

(ii) Software includes $3.4 million of software under development and therefore, not yet in use at 30 June 2024 (30 June 2023: $2.6 million).

(iii) Intangible assets of $6.97 million in relation to the MAGHAMMER technology were reclassified to an Asset Held for Sale at 30 June 2023. During the current year, these assets ceased to be classified as held for sale and were fully impaired. Refer Note 4.9 for further details.

The assessment of goodwill and its impairment is undertaken at the Operating Segment level (as shown below), except for the Devico Group which for the purposes of the 30 June 2023 financial statements, has been assessed for impairment separately due to the proximity of the acquisition to reporting date. We have allocated the Devico Group goodwill to the Operating Segments for the purpose of the 30 June 2024 financial statements impairment testing on the basis that the accounting is finalised.

	2024 $'000	2023 $'000
Africa / Europe	57,474	8,182
Asia Pacific	70,917	33,658
Americas	172,646	20,868
Devico	-	238,938
	301,037	301,646

For personal use only

OTHER ASSETS & LIABILITIES

4.5 Intangible assets (continued)

Intellectual property and other intangibles

Intellectual property and other intangibles with a finite useful life were acquired in the Devico acquisition (completed February 2023, refer note 5.2) as well as MinePortal, Flexidrill and AusSpec acquisitions completed in previous periods.

These intangible assets are amortised on a straight-line basis over the estimated useful life (up to 15 years). Amortising intangible assets are tested for impairment whenever there is an indication that the asset may be impaired.

Software

The Group capitalises development expenditure for internally generated software. Development expenditure is capitalised only if it can be measured reliably, the project or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses. Software assets with a finite life are amortised on a straight-line basis over their expected useful life to the Group, being up to 5 years. Expenditure on capitalised software is capitalised only when it increases the future economics of the specific asset to which it relates and which the Group controls. All other expenditure is expensed as incurred.

SaaS arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received.

Significant accounting estimates and assumptions

Management reviews the appropriateness of useful lives of assets at least annually, any changes to useful lives may affect prospective amortisation rates and asset carry values.

Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired. Where the fair value of the consideration paid for a business acquisition exceeds the fair value of the identifiable assets acquired and liabilities assumed, the difference is treated as goodwill.

Goodwill is not amortised but is tested for impairment at least annually.

Impairment testing of assets

IMDEX assesses impairment at the Operating Segment level for Goodwill. Goodwill exists in relation to three Segments: Asia Pacific, Africa / Europe and Americas.

IMDEX assesses impairment at the Cash Generating Unit (CGU) level for fixed assets and other intangible assets. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. CGUs identified are at a lower level than each Operating Segment (based on regional hubs).

The Group has five CGUs: Asia Pacific, Europe, Africa, North America and South America.

The Group reviews the carrying amounts of its CGU's at each reporting period, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, a formal estimate of the asset's recoverable amount is calculated.

Recoverable amount is the higher of Fair Value Less Costs to Sell and Value in Use. In assessing Value in Use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the carrying amount of the CGU exceeds its recoverable amount, the asset or CGU is written down and an impairment loss is recognised in the income statement. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Significant accounting estimates and assumptions

The determination of impairment involves the use of judgements and estimates that include, but are not limited to, the cause, timing and measurement of the impairment.

Goodwill is tested at least annually and where there is an indicator of impairment through testing of the Operating Segments (groups of CGU's) to which the goodwill has been allocated.

Fixed assets and other intangible assets are grouped into CGUs that have been identified as being the smallest identifiable group of assets that generate cash flows, which are independent of cash flows of other assets or groups of assets. The determination of these CGUs is based on management's judgement in regard to shared infrastructure, geographical proximity, and similar exposures to market risk and materiality.

For personal use only

OTHER ASSETS & LIABILITIES

4.5 Intangible assets (continued)

Significant accounting estimates and assumptions (continued)

Determining whether goodwill, intangibles and fixed assets are impaired requires an estimation of the "Value in Use" of the Operating Segment or CGU to which these assets are attributable. The Value in Use calculation requires the entity to estimate the future cash flows expected to arise from the Operating Segment or CGU and a suitable discount rate to calculate present value. A forward-looking estimation of this nature is inherently uncertain.

Management is required to make significant judgements concerning the identification of impairment indicators, such as changes in competitive positions, expectations of growth, increased cost of capital, and other factors that may indicate impairment. In addition, management is also required to make significant estimates regarding future cash flows and the determination of fair values when assessing the recoverable amount of assets (or group of assets). Inputs into these valuations require assumptions and estimates to be made about forecast earnings before interest and tax and related future cash flows, growth rates, applicable discount rates, useful live and residual values.

IMDEX's forecasted results reflect the activity levels within the minerals industry. The judgements, estimates and assumptions used in assessing impairment are management's best estimates based on current and forecast market conditions. Changes in economic and operating conditions impacting these assumptions could result in changes in the recognition of impairment charges in future periods.

Management has considered a range of external, internal and other indicators that may indicate some level of impairment at the individual asset level. These include evidence of obsolescence or physical damage of an asset, and evidence available from internal reporting that indicates that the economic performance of an asset is, or will be, worse than expected.

Value in Use assessments and sensitivities:

Inputs to impairment calculations

For Value in Use calculations, cash flow projections are based on IMDEX's corporate plans and business forecasts prepared by management and approved by the Board for the 2024 financial year.

The key assumptions impacting the discounted cashflow models used to determine the Value in Use for each CGU were as follows:

- Revenue growth has been based on a range of growth rates. Initial rates are based on the FY24 Budget approved by the Board of Directors;
- Subsequent growth rates are within the range included in the Corporate Valuation Model up to the terminal (5 years) period;
- Cash flows beyond the five-year period are extrapolated using an estimated growth rate of 2.5% (FY23: 2.5%), which is based on Group estimates, taking into consideration historical performance as well as expected long-term operating conditions to arrive at a terminal value. Growth rates do not exceed the consensus forecasts of the long-term average growth rate for the industry in which the CGU operates.
- Capital investment for the 2024 financial year is based on the forecasted numbers approved by the Board of Directors. Going forward to terminal date, capital investment gradually increases each year so that it equals the replacement cost of assets, excluding growth capital investment by terminal date;
- Tax rates used were the Group's effective tax rate; and
- Post-tax discount rates used were country risk adjusted and based on data supplied by external sources and ranged from 12.3% to 19.6% (FY23: 11.6% to 21.2%).

Other assumptions are determined with reference to internal and external sources of information.

Increases in discount rates or changes in other key assumptions, such as operating conditions or financial performance, may cause the recoverable amounts to fall below carrying values. Management have considered various reasonably possible sensitivities in the Value in Use assessment, with changes to the following key assumptions:

- Increase/decrease of 1% to the post-tax discount rate.
- Increase/decrease of 1% to the terminal growth rate.
- Increase/decrease of 5% in operating margins.

The above sensitivities have been performed in isolation, with all other assumptions in the Value in Use assessment held constant. No reasonably possible change made to these key assumptions has given rise to an impairment. However, forward looking estimation of this nature is inherently uncertain and the outcomes of these sensitivities may vary in the future.

Impairment losses recognised by cash generating unit:

There have been no impairment losses for any CGU in the current or prior year.

For personal use only

OTHER ASSETS & LIABILITIES

4.6 Trade & other payables

	Notes	2024 $'000	2023 $'000
Trade payables	(i)(iii)	13,312	20,811
Accruals and other payables	(ii)	30,590	26,012
		43,902	46,823

(i) Trade payables are interest free for periods ranging from 30 to 180 days. Thereafter interest may be charged at commercial rates. The carrying amount of trade payables approximates their fair values due to their short-term nature. The consolidated entity has financial risk management policies in place to endeavour to pay all payables within the credit timeframe.

(ii) Accruals and other payables include a $3.6 million accrual for the FY24 STI bonuses (30 June 2023: $5.3 million).

(iii) The prior period amounts have been restated as a result of finalising the purchase price allocation for the Devico acquisition (refer to Note 5.2).

4.7 Provisions

	2024 $'000	2023 $'000
Current provisions		
Employee entitlements	8,247	7,773
Others	28	200
	8,275	7,973
Non-current provisions		
Employee entitlements	368	293

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Employee entitlements

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, sick leave and related on costs when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within the short term, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within the short term are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Termination benefit

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

For personal use only

OTHER ASSETS & LIABILITIES

4.8 Investment in associates

	2024 $'000	2023 $'000
Group's carrying amount of the investment		
Krux Analytics Inc	4,931	6,614
Datarock Holdings Pty Ltd	6,340	7,257
	11,271	13,871

Group's total share of loss for the period		
Krux Analytics Inc	(1,820)	(399)
Datarock Holdings Pty Ltd	(1,401)	(1,273)
	(3,221)	(1,672)

Krux Analytics Inc

The Group acquired a 40% interest in Krux Analytics Inc ("Krux") on 24 April 2023 for $6.9 million cash including transaction costs. Krux, a Canadian-based software company, has developed market leading drilling analytics software, focusing on the collection and analysis of exploration and production drilling data in real time.

The parties have negotiated an arrangement that is likely to result in IMDEX acquiring the remaining 60% of equity in Krux, or alternatively, acquiring Krux's material assets. As part of the Shareholders' Agreement, Krux shareholders have been granted a Put Option to require IMDEX to acquire the remaining shares at an agreed market value on 30 April 2026, which is based on a revenue multiple applied to the prior 12 months revenue, with the amount payable subject to the overall cap. The final purchase will be funded by cash reserves or the combination of cash reserves and issue of IMDEX's shares. In the event the Put Option is not exercised, the parties have agreed a mechanism whereby IMDEX can acquire all of Krux's assets and liabilities at 60% of the Put Option price at its discretion. This mechanism creates a forward contract. The term of this mechanism means that the Put Option is likely to be exercised. As such, no value has been assigned to the asset purchase arrangement. The value of the Put Option is determined by the potential variances between the amount payable under the contract and the market value of Krux at that time. IMDEX has assessed that the agreed revenue multiple is a market multiple and accordingly it has attributed no value to the Put Option.

The Group's interest in Krux is accounted for using the equity method in the consolidated financial statements. The Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss. The Group accounts for additional interests in its investments in associates by recognising the difference between the consideration paid for the additional interest and the fair value of the additional share of net assets as notional intangible assets. Krux's financial year end is March.

The following table illustrates the summarised financial information of the Group's investment in Krux:

	2024 $'000	2023 $'000
Net assets/(liabilities)	**(2,172)**	**855**
Group's share in net assets/(liabilities) – 40%	(869)	342
Notional intangible assets	5,800	6,272
Group's carrying amount of the investment	**4,931**	**6,614**
Income Statement		
Revenue	3,729	529
Net loss for the period	(3,383)	(731)
Group's share of loss for the period	(1,353)	(293)
Amortisation of the notional intangible assets	(467)	(106)
Group's total share of loss for the period	**(1,820)**	**(399)**

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. There has been no impairment loss in the current year.

For personal use only

OTHER ASSETS & LIABILITIES

4.8 Investment in associates (continued)

The associate had no material contingent liabilities or capital commitments as at 30 June 2024.

During the current period, the Group provided loan facility up to CAD$0.5 million to Krux which is to be repaid by January 2026. The loan is accounted as a financial asset measured at amortised cost and the balance of the loan receivable from Krux is CAD$0.5 million at the end of June 2024. The undrawn balance is nil at 30 June 2024.

Datarock Holdings Pty Ltd

The Group acquired a 30% interest in Datarock Holdings Pty Ltd ("Datarock") on 23 November 2021 for $5.7 million cash. Datarock is an Australian-based mining technology company servicing the global exploration and mining sector. Datarock's product suite, both existing and planned, complements IMDEX's software offering and strengthens the Group's cloud-based platform (IMDEX HUB-IQ™) to deliver real-time rock knowledge answer products.

On 1 November 2022 and 19 May 2023, Datarock exercised first and second equity call options available under the Datarock Shareholder Agreement and Shareholder Agreement Variation Deed, which resulted in IMDEX acquiring an additional 10.9% and 8.2% in the issued capital of Datarock in exchange for additional investments in Datarock of $2.0 million and $1.5 million respectively, taking IMDEX's total ownership interest in Datarock to 49.1%.

In February 2024, the Group exercised the first Step-Up Option to increase the ownership in interest in Datarock to 51%.

IMDEX holds the option to acquire the remaining interest in Datarock over the next two years, subject to Datarock achieving agreed strategic milestones. Nil value has been assigned to these step-up options as the purchase price is aligned with market value.

The Group's interest in Datarock is accounted for using the equity method in the consolidated financial statements. The Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss. The Group accounts for additional interests in its investments in associates by recognising the difference between the consideration paid for the additional interest and the fair value of the additional share of net assets as notional intangible assets.

The following table illustrates the summarised financial information of the Group's investment in Datarock:

	2024 $'000	2023 $'000
Net assets/(liabilities)	**1,799**	**(4,049)**
Group's share in net assets/(liabilities) – (2024:51% and 2023: 49.1%)	917	(2,108)
Notional intangible assets	5,423	9,365
Group's carrying amount of the investment	**6,340**	**7,257**
Income Statement		
Revenue	6,048	4,595
Net loss for the period	(3,141)	(1,356)
Group's share of loss for the period	(1,583)	(460)
Amortisation of the notional intangible assets[(i)]	182	(813)
Group's total share of loss for the period	**(1,401)**	**(1,273)**

(i) The current period amortisation of the notional intangible assets included a true up adjustment on opening balance of carrying amount of the investment of $0.6 million.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. There has been no impairment loss in the current year.

The financial statements of the associate are prepared for the same reporting period as the Group. The associate had no material contingent liabilities or capital commitments as at 30 June 2024.

During the current period, the Group provided loan facility up to $3.0 million to Datarock which is to be repaid by September 2026. The loan is accounted as a financial asset measured at fair value through profit and loss and the balance of the loan receivable from Datarock is $1.0 million at the end of June 2024. The undrawn balance is $2.0 million at 30 June 2024.

For personal use only

OTHER ASSETS & LIABILITIES

4.8 Investment in associates (continued)

Significant accounting estimates and assumptions

The valuation of Krux and Datarock Options involves the use of judgements and estimates that include but are not limited to the estimation of future amounts payable as part of the acquisitions and future market value of these businesses.

The amount payable is determined based on a revenue multiple applied to the prior 12 months revenue at the time of the acquisition. Management has assessed that the agreed revenue multiple is a market multiple and accordingly it has attributed no value to the Options.

Judgement is required in determining whether IMDEX has significant influence or control of its investment in associates. In making this determination IMDEX examines key factors such as its ownership percentage, board structure and its ability to direct the decisions of the investment.

4.9 Assets classified as held for sale

At 30 June 2023 the Group had taken the decision to pursue divestment options for the commercialisation of the MAGHAMMER technology which resulted in the major classes of assets associated with the MAGHAMMER technology being classified as held for sale. During the year, the Group continued to progress the divestment of MAGHAMMER however the intended sales did not occur. Growing uncertainty in global macro conditions plus increasing funding costs and inflationary pressures in the first half of the year saw interest levels to acquire the technology at this time decline from initial positive indications reflective of the technical merit of the technology earlier in the year. Acknowledging the conditions are not conducive to a sale at this time, the Group has recognised an impairment loss on the carrying value of the major classes of assets associated with the MAGHAMMER technology as outlined below:

	2024 $'000	2023 $'000
Assets		
Intangible assets	6,970	6,970
Inventory	399	381
Impairment	(7,369)	-
Total assets classified as held for sale	**-**	**7,351**

For personal use only

OTHER

5.1 Taxation

	2024 $'000	2023 $'000
Income tax expense recognised in the income statement		
Tax expense comprises:		
Current tax expense	26,839	24,280
Deferred tax expense/(benefit) relating to the origination and reversal of temporary differences	(5,001)	(2,646)
Losses brought to account from prior year	-	(56)
Under/(over) relating to R&D credits	(2,153)	(1,365)
Under/(over) provision in prior year income tax	(1,951)	(611)
Total tax expense	17,734	19,602

Income tax expense recognised in equity		
Deferred tax expense/(benefit) relating to the origination and reversal of temporary differences	(3,689)	(1,354)

Prima facie income tax expense on pre-tax accounting profit from continuing operations reconciles to income tax expense in the financial statements as follows:		
Profit before tax from continuing operations	50,133	54,597
Income tax expense calculated at 30% [(i)]	15,040	16,379
Tax losses not recognised or impaired	481	-
Other deferred tax assets brought to account	-	(56)
Derecognition of deferred tax assets	-	63
Other non-deductible and non-assessable items	10,366	8,408
Tax rate differential arising from foreign entities	(4,049)	(3,216)
Under/(over) relating to R&D credits	(2,153)	(1,365)
Under/(over) provision in prior year income tax	(1,951)	(611)
At the effective income tax rate of 35% (2023: 36%)	17,734	19,602

(i) The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian law. There has been no change in the corporate tax rate when compared with the previous reporting year.

For personal use only

OTHER

5.1 Taxation (continued)

Recognised Current and Deferred Tax Balances

	2024 $'000	2023 $'000
Current tax assets and liabilities		
Current tax receivable	4,915	6,981
Current tax payable	(9,181)	(8,916)
Deferred tax balances		
Deferred tax assets comprise balances that relate to:		
Provisions[(i)]	7,694	6,161
Inventory[(i)]	4,776	4,803
Property, plant and equipment	13,323	10,674
Right of use assets	(9,231)	(6,579)
Lease liabilities	11,555	8,519
Carry forward tax losses	687	1,474
Unrealised FX	(612)	(1,644)
Intangible assets	(25,487)	(28,842)
Others	16,644	10,315
Net deferred tax balances	19,349	4,881
Deferred tax assets[(i)]	44,837	34,410
Deferred tax liabilities	(25,488)	(29,529)
Net deferred tax balances[(i)]	19,349	4,881

(i) The prior period amounts have been restated as a result of finalising the purchase price allocation for the Devico acquisition (refer to Note 5.2).

	2024 $'000	2023 $'000
Unrecognised Deferred Tax Assets		
Deferred Tax Assets in respect of unrecognised tax losses	1,202	1,255

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the income statement because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Company and the Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company and the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

For personal use only

OTHER ASSETS & LIABILITIES

5.1 Taxation (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company and the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

Relevance of tax consolidation to the Group

The Company and its wholly-owned Australian resident entities are an income tax consolidated group and are taxed as a single entity. IMDEX Limited is the head company of the Australian tax consolidated group.

Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences in the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within Group' approach by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax consolidation.

Current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax-consolidated group are recognised by the Company (as head entity in the tax-consolidated group).

Due to the existence of a tax funding arrangement between the entities in the tax-consolidated Group, amounts are recognised as payable to or receivable by the Company and each member of the Group in relation to tax amounts paid or payable between the parent entity and the other members of the tax consolidated Group in accordance with the arrangement.

Significant accounting estimates and assumptions

A net deferred tax asset of $19.3 million has been recognised on the face of the Consolidated Statement of Financial Position. The largest components of this asset are the future tax benefits available to the Group in respect of unused tax losses, identified intangible assets as a result of the acquisition and temporary differences between the recording of expenses for accounting purposes and the claiming of a deduction for the expense for taxation purposes. These tax benefits will be realised over the coming years when future taxable profits are available against which the unused tax losses can be utilised and as temporary differences move. This net asset has been raised as it is considered more likely than not that it will be realised due to trading and/or sale of assets. In making this assessment of likelihood, a forward-looking estimation of tax payments and the likelihood of business success needs to be made. A forward-looking estimation of this nature is inherently uncertain.

As part of the process for preparing the Group's financial statements, management is required to calculate income tax accruals. This process involves estimating the current tax exposures together with assessing temporary differences resulting from differing treatment of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are included in the Consolidated Statement of Financial Position.

While the Group aims to ensure the accruals for its tax liabilities are accurate, the process of agreeing tax liabilities with the relevant tax authorities can take time. Management estimate is therefore required in determining the provision for income tax and the recognition of deferred tax assets and liabilities and therefore the actual tax liabilities could differ from the amounts accrued.

For personal use only

OTHER

5.2 Acquisition of subsidiaries/assets

Acquisition of Devico AS (Subsidiaries)

On 28 February 2023 (Completion), the Group acquired 100 per cent of the issued share capital of Devico AS ("Devico"), incorporated and headquartered in Norway. Finalisation of the purchase price accounting was completed during the current period, resulting in retrospective changes to the provisional fair values presented in the 30 June 2023 Financial Report.

Details of the revised net identifiable assets and goodwill are as follows:

	Final $'000	Provisional $'000	Change $'000
Consideration			
Cash	322,408	322,408	-
Equity instruments	12,990	12,990	-
Total consideration	335,398	335,398	-
Fair value of net assets of business acquired			
Cash	17,113	17,113	-
Trade and other receivables	13,666	13,666	-
Inventory	9,393	10,563	(1,170)
Tax receivables	834	979	(145)
Other current assets	1,655	1,655	-
Property, plant and equipment ("PPE")	8,108	8,417	(309)
Right-of-use assets	7,437	7,437	-
Intangibles	97,200	97,200	-
Deferred tax assets	2,873	2,278	595
Trade and other payables	(7,236)	(6,732)	(504)
Lease liabilities	(7,437)	(7,437)	-
Borrowings	(8,814)	(8,814)	-
Deferred tax liability	(29,160)	(29,160)	-
Provisions	(1,050)	(1,050)	-
Tax liabilities	(8,122)	(3,680)	(4,442)
Total fair value of net assets of business acquired	**96,460**	**102,435**	(5,975)
Goodwill arising on acquisition	238,938	232,963	5,975

The finalisation of acquisition accounting resulted in a number of fair value adjustments completed during the measurement period, including the review of inventory provision, impairment on the PPE, retention bonus and review of the tax provision relating to potential historical tax risks in South America. The final acquisition fair values include an adjustment relating to a potential historical tax risks of $1.5 million in Canada identified subsequent to the issuance of the half year report. This has a corresponding impact to the goodwill.

Critical accounting judgements and estimates
Judgement is required in determining whether an intangible asset is identifiable and should be recorded separately from goodwill. Additionally, estimating the acquisition-date fair values of the identifiable assets acquired and liabilities assumed involves considerable judgment. The necessary measurements are based on information available on the acquisition date and are based on expectations and assumptions that have been deemed reasonably by management.

Acquisition of MinePortal (Assets)

In the prior period, the Group finalised an Asset Purchase Agreement ("APA") to acquire the MinePortal software from Californian-based DataCloud International Inc ("DataCloud").

The total purchase consideration comprises a combination of cash and equity. The Group has paid $8.0 million in cash in September 2021 and issued 1,578,117 million of IMDEX Limited ordinary shares on each of the first and second anniversary of completion on 17 September 2022 and 17 September 2023. The balance of the transaction is payable by the issue of IMDEX shares, with an option to settle the payment by equivalent cash value based on the prevailing share price at the date of the third anniversary (at IMDEX's discretion), as set out below:

For personal use only

5.2 Acquisition of subsidiaries/assets (continued)

- The issue of 2,104,156 million of IMDEX Limited ordinary shares upon the third anniversary of completion ("Tranche 3"). Tranche 3 is applicable if revenue from the DataCloud assets achieves the target agreed between the parties by the third anniversary of completion. If this revenue target is not achieved no shares will be issued in Tranche 3.

During the current period, MinePortal software has been commercialised to visualise the data and Answer Products that are generated from the BLASTDOG solution.

5.3 Parent entity & subsidiary information

The ultimate parent entity in the Group is IMDEX Limited, a company incorporated in Western Australia.

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements.

Financial Position	**2024 $'000**	**2023 $'000**
Assets		
Current Assets	56,709	25,340
Non-Current Assets	437,331	486,902
Total Assets	494,040	512,242
Liabilities		
Current Liabilities	41,524	38,736
Non-Current Liabilities	58,492	102,546
Total Liabilities	100,016	141,282
Net Assets	394,024	370,960
Equity		
Issued Capital	409,546	401,163
Reserves	19,425	16,087
Accumulated Losses	(34,947)	(46,290)
Total Equity	394,024	370,960

Financial Performance	**2024 $'000**	**2023 $'000**
Profit for the year	29,723	18,377
Other comprehensive income, net of income tax	-	-
Total comprehensive profit	29,723	18,377
Retained loss at the beginning of the financial year	(46,290)	(49,523)
Profit for the year	29,723	18,377
Dividend paid	(18,380)	(15,144)
Retained loss at the end of the financial year	(34,947)	(46,290)

	30 June 2024 $'000	**30 June 2023 $'000**
Guarantee provided under the deed of cross guarantee	181,396	176,273

For personal use only

OTHER

5.3 Parent entity & subsidiary information (continued)

Subsidiaries	Notes	Country of Incorporation	Ownership Interest 2024 %	Ownership Interest 2023 %
Parent Entity				
Imdex Limited	(i)(ii)(iii)	Australia		
Controlled Entities				
Australian Mud Company Pty Ltd	(ii)(iii)	Australia	100	100
Samchem Drilling Fluids & Chemicals (Pty) Ltd		South Africa	100	100
Imdex International Pty Ltd	(ii)(iii)	Australia	100	100
Imdex Africa Pty Ltd	(ii)(iii)	Australia	100	100
Imdex Technologies Pty Ltd	(ii)(iii)	Australia	100	100
Imdex Global Operations Pty Ltd	(ii)(iii)	Australia	100	100
Reflex Instruments Asia Pacific Pty Ltd	(ii)(iii)	Australia	100	100
Imdex Canada Limited (previously "Reflex Instrument North America Ltd")	(viii)	Canada	100	100
Reflex Instrument South America SPA	(vii)	Chile	100	100
Reflex Instruments Europe Ltd		United Kingdom	100	100
AMC Europe GmbH		Germany	100	100
Flexit Australia Pty Ltd	(ii)(v)	Australia	-	100
Imdex South America S.A.		Chile	100	100
AMC Chile S.A.	(vii)	Chile	-	100
AMC Reflex Argentina S.A.		Argentina	100	100
AMC Reflex Peru S.A.C.		Peru	100	100
Imdex USA Inc		United States of America	100	100
Imdex Technologies USA LLC		United States of America	100	100
AMC USA LLC		United States of America	100	100
Reflex USA LLC		United States of America	100	100
Imdex DO Brasil Industria e Comercio Ltda		Brazil	100	100
Imdex Global B.V.		Netherlands	100	100
AMC Drilling Fluids & Products – Mexico S. de RL de C.V. Mexico		Mexico	100	100
AMCREFLEX CIA LTDA		Ecuador	100	100
Flexidrill Limited		New Zealand	100	100
Flexidrill Construction Limited		New Zealand	100	100
AusSpec International Limited		New Zealand	100	100
Devico AS	(iv)	Norway	100	100
Devico Finland OY	(iv)	Finland	100	100
Devico Bulgaria EOOD	(iv)	Bulgaria	100	100
Devico Sweden AB	(iv)	Sweden	100	100
Devico International Operations AS	(iv)	Norway	100	100
Devico Mexico	(iv)	Mexico	100	100
Devico USA AS	(iv)	Norway	100	100
Devico Canada Inc	(iv)(viii)	Canada	-	100
TECH Directional Services Inc	(iv)(viii)	Canada	-	100
SurveyTech Instruments & Service Inc	(iv)(viii)	Canada	-	100
Devico Australia Pty Ltd	(iv)(vi)	Australia	-	100
DHS (Aust) Pty Ltd	(ii)(iv)	Australia	100	100
Devico Asia Company Limited	(iv)	China	100	100
Devico Chile	(iv)	Chile	100	100
STYRDCD SAC	(iv)	Peru	100	100
Styr Brazil Perfuracoes	(iv)	Brazil	100	100
DevicoEC. S.A.	(iv)	Ecuador	100	100

For personal use only

OTHER

5.3 Parent entity & subsidiary information (continued)

(i) IMDEX Limited is the ultimate parent company and is the head entity within the tax consolidated group.
(ii) These companies are part of the Australian tax consolidated group.
(iii) These wholly-owned subsidiaries entered into a deed of cross guarantee with Imdex Limited pursuant to *ASIC Corporations (Wholly - owned Companies) Instrument 2016/785* and are relieved from the requirement to prepare and lodge an audited financial report. Australian Mud Company Pty Ltd became a party to the deed on 29 Jun 2006, Imdex International Pty Ltd on 20 Oct 2006, Reflex Instruments Asia Pacific Pty Ltd on 14 Sep 2007, Imdex Africa Pty Ltd on 15 June 2023, Imdex Technologies Pty Ltd on 15 June 2023 and Imdex Global Operations Pty Ltd on 15 June 2023.
(iv) These entities were acquired on 28 February 2023.
(v) This entity was deregistered on 10 July 2023.
(vi) This entity was deregistered on 30 August 2023.
(vii) These entities were merged to Reflex Instrument South America SPA on 1 December 2023.
(viii) These entities were amalgamated to Imdex Canada Limited on 1 January 2024.

The consolidated income statement of the entities which are party to the deed of cross guarantee are:

Income Statement	**2024 $'000**	**2023 $'000**
Profit before income tax expense	3,772	7,037
Income tax benefit	8,509	2,500
Profit for the year	12,281	9,537
Retained loss at the beginning of the financial year	(37,827)	(32,220)
Dividends paid	(18,380)	(15,144)
Net profit	12,281	9,537
Retained loss at the end of the financial year	(43,926)	(37,827)

For personal use only

OTHER

5.3 Parent entity & subsidiary information (continued)

The consolidated statement of financial position of the entities which are party to the deed of cross guarantee are:

Balance Sheet	2024 $'000	2023 $'000
Current assets		
Cash and cash equivalents	18,919	19,682
Trade and other receivables	43,412	33,622
Inventories	27,072	29,490
Other	8,272	3,739
Total current assets	97,675	86,533
Non-current assets		
Other financial assets	412,586	430,224
Property, plant and equipment	14,135	9,220
Right-of-use assets	14,898	13,650
Other intangible assets	9,321	9,885
Deferred tax assets	19,439	7,927
Investment in an associate	6,341	7,257
Loans to associates	1,039	-
Total non-current assets	477,759	478,163
Total assets	575,434	564,696
Current liabilities		
Trade and other payables	34,018	25,713
Lease liabilities	2,249	1,743
Current borrowings	28,000	28,000
Provisions	5,831	5,518
Total current liabilities	70,098	60,974
Non-current liabilities		
Other financial liabilities	36,953	2,172
Lease liabilities	19,839	17,786
Borrowings	54,138	95,048
Provisions	368	293
Total non-current liabilities	111,298	115,299
Total liabilities	181,396	176,273
Net assets	394,038	388,423
Equity		
Contributed capital	409,511	40,1128
Employee equity-settled benefits reserve	21,217	17,880
Foreign currency translation reserve	7,236	7,242
Accumulated loss	(43,926)	(37,827)
Total equity	394,038	388,423

For personal use only

OTHER

5.4 Reserves

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Australian dollars, which is the functional currency of IMDEX, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned or likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

On consolidation, the assets and liabilities of the Group's foreign operations are translated into Australian dollars at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used.

Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity on or after the date of transition to A-IFRS are treated as assets and liabilities of the foreign entity and translated at exchange rates prevailing at the reporting date. Goodwill arising on acquisitions before the date of transition to A-IFRS is treated as an Australian dollar denominated asset.

Equity-settled performance rights with employees and others providing similar services are measured at the fair value of the equity instrument at the grant date. Fair value is measured by the use of the Black-Scholes Model, Binomial Tree Method or Monte-Carlo Simulation as appropriate. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The fair value determined at the grant date of the performance right is expensed over the vesting period, based on the Group's estimate of shares that will eventually vest.

At each reporting date, the Group revises its estimate of the number of performance rights expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to the employee equity-settled benefits reserve.

Performance Rights Plan

At the Imdex Limited Annual General Meeting on 15 October 2009 the Shareholders approved the formation of a Performance Rights Plan (PRP or Plan) and subsequently renewed at the Annual General Meeting on 18 October 2012, 20 November 2015, 4 October 2018 and 7 October 2021. The Plan allows for the issue of performance rights to employees from time to time. The quantum of performance rights granted to employees is at the discretion of the Directors and is generally based on seniority and level of contribution to the strategic goals of IMDEX. A performance right is the right to receive one fully paid IMDEX ordinary share for nil consideration should set hurdles be achieved and tenure of employment be maintained. The hurdles are set by the Directors when performance rights are issued and are generally linked to the achievement of financial or other strategic goals of IMDEX.

For personal use only

OTHER

5.4 Reserves (continued)

Performance rights granted in the current and prior year

Item	FY24 STI Award	FY24 LTI Award	FY24 Integration Award	FY23 LTI Award	FY23 STI Award	FY23 Devico KMP Award	FY22 LTI Award - Executives	FY22 LTI Award - Employees	FY22 STI CEO Award
Exercise price	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Number of rights granted	548,553	4,329,340	7,045,192	3,826,242	1,404,328	2,694,166	1,464,179	1,783,958	214,396
Grant date	01-Jul-23	28-Aug -23	1-Jul-23	15-Aug-22	01-Jul-22	28-Feb-23	12-Aug-21	16-Aug-21	25-Jun-21
Commencement of measurement period	01-Jul-23	01-Jul-23	1-Jul-23	01-Jul-22	01-Jul-22	28-Feb-23	01-Jul-21	01-Jul-21	12-Aug-21
Performance period (years)	2	3	3	3	2	3	3	3	3
Remaining performance period (years)	1	2	2	1	-	1.7	-	-	1.12
Vesting date	1-July-25	1-Jul-26	1-Jul-26	1-Jul-25	1-July-24	28-Feb-26	1-Jul-24	1-Jul-24	11-Aug-24
Vesting conditions	Note 2	Note 1	Note 5	Note 1	Note 2	Note 3	Note 1	Note 1	Note 4
Valuation per right at grant date	$2.208	$1.109	$0.889	$1.528	$1.834	$2.254	$1.835	$2.185	$1.859
Estimated total cost	$1,211,204	$4,013,298	$6,289,008	$4,941,113	$2,575,538	$6,072,649	$2,301,140	$3,361,200	$188,562
Current period cost	$605,602	$1,295,293	$2,096,336	$1,371,614	$949,848	$2,027,910	$708,631	$765,126	$62,854

Note 1.

4,329,340 performance rights were issued to employees in September 2023 (3,826,242 were issued in 2022 and 3,248,137 were issued in 2021) (50% based on Relative TSR, 20% based on absolute EPS and 30% based on strategic measures). Upon successful achievement of the hurdles, allotment of these performance rights will occur in September 2026 (once the 2026 financial year independent audit report is signed).

Exercise of the performance rights at the end of the 3-year period will commence when the Company's performance (as calculated by the Performance Measures) is at 50% and above. At 50%, the allocation will be 50% of the total entitlement. This entitlement increases on a linear scale and achieves 100% entitlement when the Company's performance is at the 75th percentile.

The number of Relative TSR Rights and EPS Rights that vest is based on the Relative TSR performance against a peer group consisting of the ASX300 Resources Index and against absolute EPS performance over the 3-year measurement period. The Strategic Rights vest subject to growth in new businesses from transformational (non-core) revenue linked to the transformational (non-core) component of the research and development budget. Performance relating to the Strategic Rights is assessed by the Board of Imdex at the end of the performance period.

Note 2.

The Company provides an option for employees to defer a component of their STI award in exchange for the award of additional performance rights (STI Award). STI Awards for senior management will be deferred automatically (50% of the STI outcome). STI Awards vest over a 12-month period subject to continued employment with the Company.

Note 3.

The Company has issued management rights to key management personnel of Devico AS. The management rights are subject to the continuous employment with the Company for three years following completion of the acquisition, as well as achievement of agreed performance milestones. The current period cost is included in Devico integration costs (refer to Note 2.5 Individually Significant Items).

Note 4.

The CEO Rights vest subject to the continued service of the holder over three years from the date of issue of the CEO Rights.

Note 5.

7,045,192 performance rights were issued to employees in July 2023 (67% based on performance criteria relating to IMDEX's share price hurdle and 33% based on continued employment). Upon successful achievement of the hurdles, allotment of these performance rights will occur in September 2026 once the financial year independent audit report is signed.

For personal use only

OTHER

5.4 Reserves (continued)

Outstanding Performance Rights

2024					Estimated Number of Performance Rights				
	Grant Date	Expiry Date	Exercise Price $	Market value at grant date $	Opening balance	Granted	Satisfied by the allotment of shares	Expired ^	Closing balance
FY21 LTI	Jul-20	Jul-23	-	1.047	3,033,265	-	(1,769,719)	(1,263,546)	-
FY22 LTI	Aug-21	Jul-24	-	2.027	2,945,287	-	-	(127,470)	2,817,817
FY22 STI CEO	Jun-21	Aug-24	-	1.859	214,396	-	-	-	214,396
FY23 LTI	Aug-22	Jul-25	-	1.528	3,678,129	-	-	(250,901)	3,427,228
FY22 STI	Jul-21	Jul-22	-	1.979	1,725,606	-	(1,725,606)	-	-
FY23 Devico KMP	Feb-23	Feb-26	-	2.254	2,694,166	-	-	-	2,694,166
FY23 STI	Jul-22	Jul-23	-	1.834	-	1,353,336	-	(57,947)	1,295,389
FY24 LTI	Oct-23	Jul-26	-	1.109	-	4,329,340	-	(137,452)	4,191,888
FY24 Integration	Jul-23	Jul-26	-	0.889	-	7,045,192	-	-	7,045,192

2023					Estimated Number of Performance Rights				
	Grant Date	Expiry Date	Exercise Price $	Market value at grant date $	Opening balance	Granted	Satisfied by the allotment of shares	Expired ^	Closing balance
FY20 LTI	Jul-19	Jul-22	-	1.109	2,607,691		(1,773,545)	(834,146)	-
FY20 MD LTI	Oct-19	Jul-22	-	1.109	127,602			(127,602)	-
FY21 LTI	Jul-20	Jul-23	-	1.047	3,153,582			(120,317)	3,033,265
FY22 LTI	Aug-21	Jul-24	-	2.027	3,037,887			(92,600)	2,945,287
FY22 STI CEO	Jun-21	Aug-24	-	1.859	214,396			-	214,396
FY23 LTI	Aug-22	Jul-25	-	1.528	-	3,826,242		(148,113)	3,678,129
FY22 STI	Jul-21	Jul-22	-	1.979	-	1,742,657		(17,051)	1,725,606
FY23 Devico KMP	Feb-23	Feb-26	-	2.254	-	2,694,166		-	2,694,166

^ - Performance rights expire either on failure to maintain employment tenure or on failure to satisfy performance hurdles.

Significant accounting estimates and assumptions

Share-based payments recorded for the performance rights are subject to estimation as they are calculated using the Black-Scholes option pricing, Binomial Tree Method or Monte-Carlo Simulation model, as appropriate, which is based on significant assumptions such as volatility, dividend yield, expected term and forfeiture rate.

For personal use only

OTHER

5.5 Contingent assets & liabilities

There are no contingent liabilities or contingent assets at balance date, other than the legal proceedings and claims settled by the subsequent event disclosed in note 5.9.

5.6 Key management personnel compensation

The aggregate compensation of the Key management personnel of the Group and the Company is set out below:

	2024 $	2023 $
Short-term employee benefits	2,985,470	3,454,475
Post-employment benefits	137,500	137,500
Other long-term benefits	88,738	77,146
Share-based payments	2,208,970	833,649
	5,420,678	4,502,770

5.7 Related party transactions

Other than the loans provided to Krux and Datarock (refer to Note 4.8), there are no material transactions and balances with key management personnel and their related parties during the current period.

5.8 Auditor's remuneration

The auditor of IMDEX is Deloitte Touche Tohmatsu.

During the year, the following fees were paid or were payable for services provided by the auditor of the parent entity and its related practices:

	Notes	2024 $	2023 $
Deloitte and related network firms			
Audit or review of the financial report			
- Group		689,644	562,960
- Subsidiaries		431,969	372,100
		1,121,613	935,060
Other assurance and agreed-upon procedures under other legislation or contractual arrangements		-	14,904
Other services:			
- Tax and corporate compliance services		3,100	3,896
- Legal services		9,717	3,151
- Other services	(i)	-	11,000
		12,817	18,047
		1,134,430	968,011
Other auditors and their related network firms			
Audit or review of the financial report			
- Subsidiaries		219,402	176,798
Other services:			
- Accounting and other services		6,773	3,444
		6,773	3,444
		226,175	180,242

(i) FY23: Accounting advice services.

For personal use only

OTHER

5.9 Subsequent events

On 7 March 2024, Imdex announced it had received the benefit of a determination by the Federal Court in case NSD 1089/2016 where Globaltech Corporation Pty Ltd (Globaltech) was ordered to pay AU$7.96m (excluding legal costs) to IMDEX subsidiary, Australian Mud Company Pty Ltd.

On 15 April 2024, Imdex announced that Globaltech had been placed into voluntary administration on 12 April 2024.

As a result of the voluntary administration process, IMDEX entered into a deed of company administration (**DOCA**) with the Administrators on 31 July 2024. This DOCA was subsequently challenged by a number of Boart Longyear companies, with the court scheduling a hearing in mid-October to determine the outcome of the challenge.

On 16 August 2024, the parties agreed to settle all of the global disputes and have entered into a binding settlement agreement which includes transfer of certain intellectual property to Imdex; new supply agreements between the parties; and a $10m payment to IMDEX. As a result, all global proceedings commenced by either party, including those in Canada, Australia and South Africa will be discontinued or brought to a final determination without any order for compensation and Boart Longyear will drop the challenge to, and agree to support, IMDEX's DOCA for Globaltech.

In addition to the above, and subject to IMDEX's DOCA for Globaltech being finalised, all of Globaltech's patents and trademarks will be incorporated as part of IMDEX's intellectual property portfolio.

Other than the events disclosed above, there have been no matters or circumstances that have arisen since the end of the financial year that have significantly affected, or may significantly affect, the operations of the Group, the result of these operations, or the state of affairs of the Group in future financial years.

For personal use only

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Tower 2
Brookfield Place
123 St Georges Terrace
Perth WA 6000
GPO Box A46
Perth WA 6837 Australia

Tel: +61 8 9365 7000
Fax: +61 8 9365 7001
www.deloitte.com.au

The Board of Directors
IMDEX Limited
216 Balcatta Road
Balcatta WA 6021

20 August 2024

Dear Directors

Auditor's Independence Declaration to IMDEX Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of IMDEX Limited.

As lead audit partner for the audit of the financial report of IMDEX Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

DELOITTE TOUCHE TOHMATSU

Peter Rupp
Partner

For personal use only

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Tower 2
Brookfield Place
123 St Georges Terrace
Perth WA 6000
GPO Box A46
Perth WA 6837 Australia

Tel: +61 8 9365 7000
Fax: +61 8 9365 7001
www.deloitte.com.au

Independent Auditor's Report to the Members of IMDEX Limited

For personal use only

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of IMDEX Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2024, consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and other explanatory information, the directors' declaration on page 75 and the Consolidated Entity Disclosure Statement on pages 128 to 129.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Liability limited by a scheme approved under Professional Standards Legislation.

Member of Deloitte Asia Pacific Limited and the Deloitte organisation.

For personal use only

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Finalisation of the acquisition of Devico AS As disclosed in Note 5.2 the acquisition of Devico AS (Devico) was completed during the prior year on 28 February 2023 for total purchase consideration of $335.4 million. The acquisition was provisionally accounted for as at 30 June 2023 and finalised during the current period ended 30 June 2024. As a result of the finalisation of the acquisition accounting the following balances were impacted with a resulting net increase in goodwill by $6.0 million to $238.9 million: • Increase in Tax liabilities relating to potential historical tax risks in Canada and South America ($4.4 million) • Reduction in Inventory ($1.2 million) • Reduction in Property, Plant & Equipment ($0.3 million) • Increase in Trade and other payables ($0.5 million) • Increase in Deferred tax assets ($0.6 million) • Reduction in Tax receivables ($0.1 million) Significant judgement was required in assessing the appropriateness of the adjustments to the goodwill, including: • Concluding on the identification and valuation of the adjustments to the identifiable assets acquired • Assessing the impact of the adjustments on associated tax balances • Reviewing the underlying assumptions and inputs used in the valuation model	Our procedures performed included, but were not limited to: • In conjunction with our taxation specialists, assessing the competence and experience of management's experts and evaluating the tax risks supporting the increase in tax liabilities; • In conjunction with our valuation specialists, performing audit procedures to evaluate and challenge management's adjustments to the final purchase price allocation; • In conjunction with our valuation specialists, performing a review of the model supporting the value of the intangible assets acquired, including testing the mechanical accuracy of the model; • Reviewing the documentation supporting the remaining adjustments to and final determination of goodwill; and • Assessing the adequacy of the disclosures in notes 5.2.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and

- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the Corporations Act 2001, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

For personal use only

Deloitte.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 58 to 74 of the Annual Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of IMDEX Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Peter Rupp
Partner
Chartered Accountants
Perth, 20 August 2024

For personal use only

Additional Securities Exchange Information as at 16 August 2024

(a) Distribution of Shareholders

	Number of Fully Paid Ordinary Shareholders	Number of Performance Rights Holders
1 – 1,000	1,236	28
1,001 – 5,000	1,451	207
5,001 – 10,000	676	85
10,001 to 100,000	834	197
100,001 and over	102	48
	4,299	565
Holding less than a marketable parcel	323	-

(b) Substantial Shareholders

Ordinary Shareholders	Fully Paid	
	Number	Percentage
L1 Capital Pty Ltd.	65,944,358	12.9
Fidelity Management & Research Company LLC	35,471,432	6.9
Yarra Funds Management Limited	25,000,478	4.9
The Vanguard Group, Inc.	18,576,558	3.6
Tribeca Investment Partners Pty Ltd.	16,177,310	3.2

(c) Twenty Largest Holders of Quoted Equity Securities

Ordinary Shareholders	Fully Paid	
	Number	Percentage
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	147,964,279	28.91
CITICORP NOMINEES PTY LIMITED	117,580,641	22.97
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	99,848,885	19.51
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	23,965,904	4.68
BNP PARIBAS NOMS PTY LTD	10,028,078	1.96
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	7,667,988	1.50
NATIONAL NOMINEES LIMITED	7,046,780	1.38
UBS NOMINEES PTY LTD	6,745,587	1.32
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	5,853,360	1.14
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	4,803,629	0.94
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	4,489,711	0.88
MR RICHARD KARL HILL <ICENA ACCOUNT>	4,415,758	0.86
BNP PARIBAS NOMS (NZ) LTD	3,606,883	0.70
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	3,602,044	0.70
FIRST SAMUEL LTD ACN 086243567 <ANF ITS MDA CLIENTS A/C>	3,058,716	0.60
MIRRABOOKA INVESTMENTS LIMITED	1,660,000	0.32
LTMAX AS	1,382,558	0.27
AEW HOLDINGS PTY LTD <AEW CAPITAL A/C>	1,267,310	0.25
ASESORIAS DONA ELIANA SPA	1,212,496	0.24
HOBRA AS	923,190	0.18
	457,123,797	89.31

For personal use only

Additional Securities Exchange Information as at 16 August 2024

(d) Director and Company Secretary Shareholdings

Name	Number of Shares	Number of Performance Rights
Mr. A. Wooles	1,550,000	-
Mr. P. House	1,456,941	2,252,887
Ms. S. Layman	157,083	-
Ms. T. Arlaud	-	
Mr. U. Airhiavbere	20,000	-
Ms. T. Horton	-	-
Mr. M Tomasz	18,269	941,253
	3,202,293	3,194,140

(e) Company Secretary

Mr Michael Tomasz

(f) Registered Office

216 Balcatta Road
Balcatta
Western Australia
6021
Phone: (08) 9445 4010

(g) Share Registry

Computershare Investor Services
Level 11
172 St Georges Terrace
Perth
Western Australia
6000
Phone: (08) 9323 2000

For personal use only

Consolidated Entity Disclosure Statement

		Body corporates		Tax residency	
Entity name	**Entity type**	**Country of incorporation**	**% of share capital held**	**Australian or foreign**	**Foreign jurisdiction**
Imdex Limited	Body corporate	Australia	N/A	Australian[(i)]	N/A
Australian Mud Company Pty Ltd	Body corporate	Australia	100	Australian[(i)]	N/A
Samchem Drilling Fluids & Chemicals (Pty) Ltd	Body corporate	South Africa	100	Foreign	South Africa
Imdex International Pty Ltd	Body corporate	Australia	100	Australian[(i)]	N/A
Imdex Africa Pty Ltd	Body corporate	Australia	100	Australian[(i)]	N/A
Imdex Technologies Pty Ltd	Body corporate	Australia	100	Australian[(i)]	N/A
Imdex Global Operations Pty Ltd	Body corporate	Australia	100	Australian[(i)]	N/A
Reflex Instruments Asia Pacific Pty Ltd	Body corporate	Australia	100	Australian[(i)]	N/A
Imdex Canada Limited (previously "Reflex Instrument North America Ltd")	Body corporate	Canada	100	Foreign	Canada
Reflex Instrument South America SPA	Body corporate	Chile	100	Foreign	Chile
Reflex Instruments Europe Ltd	Body corporate	United Kingdom	100	Foreign	United Kingdom
AMC Europe GmbH	Body corporate	Germany	100	Foreign	Germany
Imdex South America S.A.	Body corporate	Chile	100	Foreign	Chile
AMC Reflex Argentina S.A.	Body corporate	Argentina	100	Foreign	Argentina
AMC Reflex Peru S.A.C.	Body corporate	Peru	100	Foreign	Peru
Imdex USA Inc	Body corporate	United States of America	100	Foreign	United States of America
Imdex Technologies USA LLC	Body corporate	United States of America	100	Foreign	United States of America
AMC USA LLC	Body corporate	United States of America	100	Foreign	United States of America
Reflex USA LLC	Body corporate	United States of America	100	Foreign	United States of America

For personal use only

Consolidated Entity Disclosure Statement

		Body corporates		Tax residency	
Entity name	**Entity type**	**Country of incorporation**	**% of share capital held**	**Australian or foreign**	**Foreign jurisdiction**
Imdex DO Brasil Industria e Comercio Ltda	Body corporate	Brazil	100	Foreign	Brazil
Imdex Global B.V.	Body corporate	Netherlands	100	Foreign	Netherlands
AMC Drilling Fluids & Products – Mexico S. de RL de C.V. Mexico	Body corporate	Mexico	100	Foreign	Mexico
AMCREFLEX CIA LTDA	Body corporate	Ecuador	100	Foreign	Ecuador
Flexidrill Limited	Body corporate	New Zealand	100	Foreign	New Zealand
Flexidrill Construction Limited	Body corporate	New Zealand	100	Foreign	New Zealand
AusSpec International Limited	Body corporate	New Zealand	100	Foreign	New Zealand
Devico AS	Body corporate	Norway	100	Foreign	Norway
Devico Finland OY	Body corporate	Finland	100	Foreign	Finland
Devico Bulgaria EOOD	Body corporate	Bulgaria	100	Foreign	Bulgaria
Devico Sweden AB	Body corporate	Sweden	100	Foreign	Sweden
Devico International Operations AS	Body corporate	Norway	100	Foreign	Norway
Devico USA AS	Body corporate	Norway	100	Foreign	Norway
Devico Mexico	Body corporate	Mexico	100	Foreign	Mexico
DHS (Aust) Pty Ltd	Body corporate	Australia	100	Australia[(i)]	N/A
Devico Asia Company Limited	Body corporate	China	100	Foreign	China
Devico Chile	Body corporate	Chile	100	Foreign	Chile
STYRDCD SAC	Body corporate	Peru	100	Foreign	Peru
Styr Columbia	Body corporate	Columbia	100	Foreign	Columbia
Styr Brazil Perfuracoes	Body corporate	Brazil	100	Foreign	Brazil
DevicoEC. S.A.	Body corporate	Ecuador	100	Foreign	Ecuador

(i) This entity is part of a tax-consolidated group under Australian taxation law, for which Imdex Limited is the head entity.

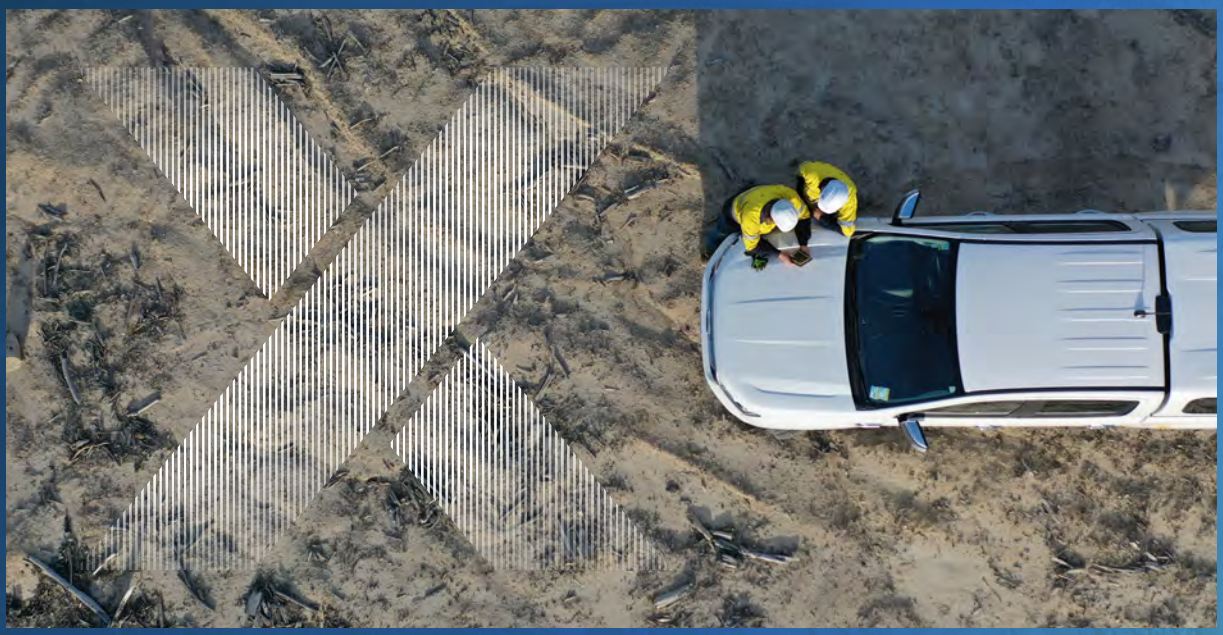
(ii) Imdex Limited Equity Plan Trust is registered in Australia and it is an employee share trust investing in shares of Imdex Limited on behalf of the participants in the Performance Rights Plan.

For personal use only

SHAREHOLDER INFORMATION

Corporate Information

Registered Company Name:	IMDEX Limited
ABN:	78 008 947 813
Exchange:	Listed on the Australian Securities Exchange (ASX)
ASX Code:	IMD
Listing Date:	24 September 1987
Registered Head Office:	216 Balcatta Road, Balcatta, Western Australia 6021
Registered PO Box:	PO BOX 1262, Osborne Park, Western Australia 6916
Telephone:	+61 (8) 9445 4010
Email:	imdex@imdexlimited.com
Web Address:	www.imdex.com
Bank Institutions:	Commonwealth Bank of Australia
Auditors:	Deloitte Touche Tohmatsu
Legal Advisors:	Gilbert & Tobin
Share Registry:	Computershare



For personal use only

Top 20 Largest Shareholders as of 30 June 2024

Rank	Name	% ISC
1	L1 Capital Pty Ltd.	12.9%
2	Fidelity Management & Research Company LLC	6.8%
3	Yarra Funds Management Limited	5.0%
4	The Vanguard Group, Inc.	3.6%
5	Tribeca Investment Partners Pty Ltd.	3.2%
6	MFS Investment Management	2.7%
7	Celeste Funds Management Limited	2.4%
8	Spheria Asset Management Pty Limited	2.1%
9	State Street Global Advisors Australia Ltd.	2.0%
10	Cbus Super	1.9%
11	Regal Funds Management Pty. Ltd.	1.9%
12	DFA Australia Ltd.	1.8%
13	Norges Bank Investment Management (NBIM)	1.8%
14	Vanguard Investments Australia Ltd.	1.8%
15	BlackRock Institutional Trust Company, N.A.	1.7%
16	Pie Funds Management Limited	1.6%
17	Apis Capital Advisors LLC	1.6%
18	Ausbil Investment Management Limited	1.5%
19	Vinva Investment Management Limited	1.3%
20	Fidelity Institutional Asset Management	1.3%

For personal use only

Key Announcements

7/5/2024	Macquarie Australia Conference Presentation 2024
15/4/2024	Core Orientation Judgement Update - Globaltech into V.A.
20/3/2024	Change of Director's Interest Notice
20/3/2024	CFO Announcement
7/3/2024	Patented core orientation technology - Award of damages
29/2/2024	Initial Director's Interest Notice
29/2/2024	Director Appointment/Resignation
19/2/2024	IMDEX 1H FY24 Results Teleconference and Webcast Script
19/2/2024	Dividend/Distribution - IMD
19/2/2024	IMDEX 1H FY24 Results Presentation
19/2/2024	IMDEX 1H FY24 Results Announcement
19/2/2024	Half Yearly Report and Accounts
19/1/2024	1H24 Results Teleconference and Webcast Details
21/11/2023	Becoming a substantial holder
30/11/2023	Appendix 3B & CEO share activity update
13/11/2023	Director Appointment/Resignation
13/11/2023	Initial Director's Interest Notice
31/10/2023	Change of Director's Interest Notice
31/10/2023	CEO Trading Update
26/10/2023	Investor Webinar Presentation
24/10/2023	Final Director's Interest Notice

For personal use only

19/10/2023	Results of Meeting
19/10/2023	2023 AGM and 1Q24 Update - Chairman and CEO Scripts
19/10/2023	2023 AGM and 1Q24 Update - Chairman and CEO Presentation
31/10/2023	Change of Director's Interest Notice
31/10/2023	CEO Trading Update
26/10/2023	Investor Webinar Presentation
24/10/2023	Final Director's Interest Notice
19/10/2023	Results of Meeting
19/10/2023	2023 AGM and 1Q24 Update - Chairman and CEO Scripts
19/10/2023	2023 AGM and 1Q24 Update - Chairman and CEO Presentation
18/9/2023	CEO Trading Update
15/9/2023	Ivan Gustavino to retire as a Non-Executive Director
6/9/2023	Change of Director's Interest Notice
31/8/2023	Details of Share Registry address
28/8/2023	FY23 Results Teleconference and Webcast Script
28/8/2023	Dividend/Distribution - IMD
28/8/2023	IMDEX FY23 Full Year Results Presentation
28/8/2023	Annual Report to shareholders
28/8/2023	IMDEX FY23 Results Announcement
28/8/2023	Appendix 4G and Corporate Governance Statement
28/8/2023	Preliminary Final Report
28/7/2023	FY23 Results Teleconference and Webcast Details

For personal use only

Annual General Meeting

Our Annual General Meeting will be held on **17 October 2024, at 11:00 am (AWST) at IMDEX's Head Office.** Members of our Board and Executive Leadership Committee will be available to discuss the Company's performance, operations, and technologies.

Corporate Calendar

21 August 2024	Release of FY24 Full Year Results
21 – 28 August 2024	FY24 Full Year Results Road Show
17 October 2024	FY24 Annual General Meeting
1 November 2024	IMDEX Technology Deep Dive
31 December 2024	FY25 Half Year End
17 February 2025	Release of FY25 Half Year Results
17 - 22 February 2025	FY25 Half Year Results Road Show
30 June 2025	FY25 Year End
20 August 2025	Release of FY25 Full Results
20 - 27 August 2025	FY25 Full Year Results Road Show

Share Registry Enquiries

Investors seeking information about their shareholdings should contact IMDEX's share registry:

Computershare Investor Services Pty Limited	
Address:	Level 11, 172 St Georges Terrace Perth WA 6000
Postal address:	GPO Box D182 Perth WA 6840
Telephone:	1300 558 507 (within Australia) +61 3 9415 4632 (outside Australia)
Facsimile:	+61 3 9473 2500
Email:	web.queries@computershare.com.au

Computershare can assist with queries on share transfers, dividend payments, the dividend reinvestment plan, notification of tax file numbers and changes of name, address or bank account details.

For personal use only

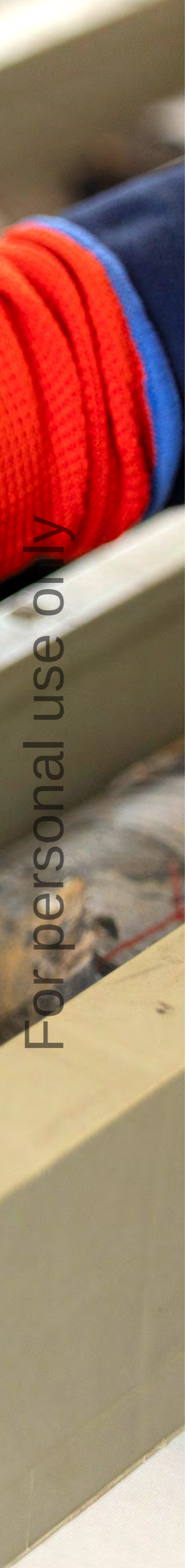
Company History

December 1980	Australian company Pilbara Gold NL incorporated
July 1985	Pilbara Gold NL changed name to IMDEX Limited
September 1987	IMDEX Limited listed on the ASX
1998	Formation of Australian Mud Company
1997	Acquisition of Surtron Technologies Pty Ltd and Ace Drilling Supplies
2001	Joint venture formed with IMDEX and Rashid Trading Establishment (RTE) in Saudi Arabia
July 2005	Sale of IMDEX Minerals
August 2005	Acquisition of African based company Samchem
August 2006	Acquisition of Swedish based REFLEX Group of Companies and United Kingdom based company Chardec
May 2007	Acquisition of Swedish based company Flexit
July 2007	Ace merged with REFLEX. IMDEX finalised the sale of its interest in IMDEX Arabia to RTE Acquisition of Canadian based Poly-Drill and a 75% interest in Kazakhstan based Suay Energy Services
October 2007	Sale of Surtron Technologies November 2007 Acquisition of Chilean based company Southernland
January 2008	Acquisition of German based company System Entwicklungs
July 2008	Acquisition of the remaining 25% of Kazakhstan based Suay Energy Services
September 2008	Acquisition of Australian based company Wildcat Chemicals Australia
July 2010	New regional structure implemented and business reporting streamlined into Minerals and Oil & Gas Divisions
September 2010	Acquisition of Australian based companies Fluidstar and Ecospin
March 2011	Acquisition of German based company Mud-Data
July 2011	Formation of DHS Services joint venture Acquisition of Australian based company Australian Drilling Specialties Pty Ltd
August 2011	Acquisition of Brazilian based company System Mud Indústria e Comércio Ltda
January 2012	Acquisition of Vaughn Energy Services (VES) by IMDEX's DHS Services joint venture
November 2012	Acquisition of ioGlobal Pty Ltd, ioAnalytics Pty Ltd and ioGlobal Solutions Inc. (together ioGlobal)
December 2012	DHS Services and Vaughn Energy Services rebranded as VES International
September 2014	Acquisition of 2iC
June 2015	Divestment of Suay Energy Services
2016	Divestment of AMC Oil & Gas
January 2018	Option to acquire Flexidrill Limited and Flexidrill Construction Limited (together Flexidrill)
January 2020	Completed acquisition of Flexidrill
July 2020	Completed acquisition of AusSpec International
September 2021	Completed acquisition of DataCloud International Inc.
November 2021	Investment in Datarock Holdings Pty Ltd
February 2023	Acquisition of Devico
April 2023	40% interest in Krux Analytics
January 2024	Increased investment in Datarock Holdings Pty Ltd to 51.9%

For personal use only



For personal use only



For personal use only

Forward Looking Statements

This report may contain certain 'forward-looking statements' and projections provided by or on behalf of Imdex limited (IMDEX). Forward looking statements can generally be identified by the use of forward-looking words such as, 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target', 'outlook', 'guidance' and other similar expressions within the meaning of securities laws of applicable jurisdictions. These forward-looking statements reflect various assumptions made by or on behalf of IMDEX. You are cautioned not to place undue reliance on forward looking statements. The statements, opinions and estimates in this report are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance, and estimates. The forward-looking statements contained in this report are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of IMDEX, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. The forward looking statements are subject to significant business, economic and competitive uncertainties and contingencies associated with the mining-tech industry which may be beyond the control IMDEX, which could cause actual results or trends to differ materially, including but not limited to retention of key business relationships, environmental impacts and claims, operational and executional risks, research and development and intellectual property risks, an inability to meet customer demand, price and currency fluctuations, operating results, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries, approvals and cost estimates, environmental risks, ability to meet funding requirements and share price volatility. Accordingly, there can be no assurance that such statements and projections will be realised. IMDEX makes no representations as to the accuracy or completeness of any such statement of projections or that any forecasts will be achieved. A number of important factors could cause actual results, achievements or performance to differ materially from the forward-looking statements, including the risks and uncertainties set out above. Investors should consider the forward-looking statements contained in this report in light of those matters. The forward-looking statements are based on information available to IMDEX as at the date of this report. Except as required by law or regulation (including the ASX listing rules), IMDEX undertakes no obligation to provide any additional or updated information whether as a result of new information, future events, or results or otherwise, indicators of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

For personal use only



imdex.com