



16 February 2007

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

Dear Sir/Madam

Conversion into equity of Convertible Note (Reflex acquisition)

Issue of 20.8 million fully paid ordinary shares

Shares escrowed to 1 August 2008

In August 2006, the Company acquired the Reflex Group of Companies from Småföretagsinvest AB (SMAFI). In satisfying the purchase price to SMAFI, the Company issued a convertible note (with a face value of A\$10.4 million), having an expiry date of 1 August 2008 and a right to convert into 20.8 million fully paid ordinary shares.

The terms of the convertible note provided for automatic conversion once the price of Imdex shares, trading on the ASX, reached A\$1 per share.

On 15 February 2007, Imdex shares traded at and above A\$1.

The Company has today issued 20.8 million fully paid ordinary shares to SMAFI pursuant to the convertible note.

The shares issued are escrowed until 1 August 2008 and rank equally with existing Imdex ordinary shares.

This conversion benefits Imdex in that it reduces debt by A\$10.4 million and provides related interest savings over the next 18 months of approximately A\$1.2 million.

The requisite Appendix 3B and Appendix 3Y advice is attached.

Yours faithfully
Imdex Limited

Paul Evans
Company Secretary

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Imdex Limited

ABN

78 008 947 813

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|-----------------------------------|
| 1 | +Class of +securities issued or to be issued | Ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 20,800,000 ordinary shares |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary fully paid shares |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

These shares rank Pari Passu with ordinary shares except that they are escrowed until 1 August 2008.

- 5 Issue price or consideration

Issued in conversion of \$10.4 million of debt

- 6 Purpose of the issue
 (If issued as consideration for the acquisition of assets, clearly identify those assets)

Issued as a result of the conversion of Convertible Notes into equity following the satisfaction of clause 4.1(c) of the Terms and Conditions of these instruments.

- 7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates

15 February 2007

- 8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)

Number	⁺ Class
162,874,337	Fully Paid Ordinary Shares

⁺ See chapter 19 for defined terms.

	Number	*Class
9 Number and *class of all *securities not quoted on ASX (including the securities in clause 2 if applicable)	3,010,033	\$0.20 Staff Options
	2,650,000	\$0.35 Staff Options
	100,000	\$0.20 Consultants Options
	500,000	\$0.35 Corporate Advisors Options
	2,000,000	\$0.30 Managing Director's Options
	1,000,000	\$0.75 Chairman's Options
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the *securities will be offered	
14 *Class of *securities to which the offer relates	
15 *Record date to determine entitlements	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17 Policy for deciding entitlements in relation to fractions	
18 Names of countries in which the entity has *security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of *security holders	
25	If the issue is contingent on *security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do *security holders sell their entitlements <i>in full</i> through a broker?	
31	How do *security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

+ See chapter 19 for defined terms.

- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) ☒ Securities described in Part 1
- (b) ☐ All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 ☐ If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment					
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)					
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 80px;"></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: **16 February 2007**
(Company secretary)

Print name: **Paul Evans**

+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	INDEX LIMITED
ABN	78 008 947 813

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Magnus Lemmel
Date of last notice	27 October 2006

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	Beneficially holds an interest in shares registered to a nominee company
Date of change	15 February 2007
No. of securities held prior to change	200,000 - Beneficially holds an interest in shares registered to a nominee company.
Class	Ordinary
Number acquired	-
Number disposed	-
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	-

+ See chapter 19 for defined terms.

Appendix 3Y
Change of Director's Interest Notice

No. of securities held after change	200,000 - Beneficially holds an interest in shares registered to a nominee company.
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	-

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Convertible Notes with a face value of \$10.4 million issued to Småföretagsinvest AB, a company in which Mr Lemmel has an interest.
Nature of interest	Mr Lemmel is a director of Småföretagsinvest AB and has an interest in the Convertible Notes.
Name of registered holder (if issued securities)	Småföretagsinvest AB
Date of change	15 February 2007
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	Nil
Interest acquired	Småföretagsinvest AB acquired 20,800,000 fully paid ordinary shares. Mr Lemmel has an interest in 200,000 of these shares.
Interest disposed	-
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	Convertible Notes with a face value of \$10.4 million have converted into 20,800,000 fully paid ordinary shares
Interest after change	Småföretagsinvest AB holds 20,800,000 fully paid ordinary shares. Mr Lemmel has an interest in 200,000 of these shares.

+ See chapter 19 for defined terms.