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4 May 2011

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

Dear Sir/Madam

Macquarie Australia Conference

Please find attached the Macquarie Australia Conference presentation to be delivered in Sydney today.

Yours faithfully
Imdex Limited

A handwritten signature in blue ink, appearing to read "P. Evans", with a long horizontal stroke extending to the right.

Paul Evans
Company Secretary





Index Limited

Macquarie Australia Conference
Sydney – 4 May 2011

Providing Quality Drilling Fluids and Leading Down Hole Instrumentation to the World



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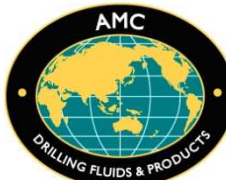
Overview

- ASX listed industrial company (ASX: IMD), head office in Perth, WA
- Global operations – presence in all major mining regions, niche Oil & Gas markets (Fluids), global Oil & Gas (Instrumentation/services)
- ~380 people globally (>50% outside Australia)
- Products:
 - **Drilling Fluids & Chemicals** (cool bit, keep hole open, cuttings to surface)
 - **Down Hole Instrumentation** (survey, core orientation)
- Markets:
 - **Mining**
 - **Oil & Gas**

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Structured to meet client needs

Market	Minerals		Oil & Gas	
Product	 Fluids	 Instruments	 Fluids	 Instrumentation service
Brand				

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Key points

- Financial performance strong: 1H11 – record half year performance, 3Q11 – record quarter revenue performance (Rev: \$49.2m, EBITA: \$12.0m)
- Consistent revenue and EBITA improvement since 2H09 low
- Investing and repositioning through the GFC facilitated early benefits from improved industry dynamics
- Simplification of brands, regionalised business delivering benefits
- Market leading technology and exciting new product pipeline
- Continued revenue and EBITA growth expected in 4Q11
- Growth in FY12 and beyond driven by:
 - Acquisitions (e.g. Mud-Data – Oil & Gas, geothermal – Europe)
 - DHSO Oil & Gas services joint venture – Global
 - Specific organic initiatives: e.g. Solids control technology

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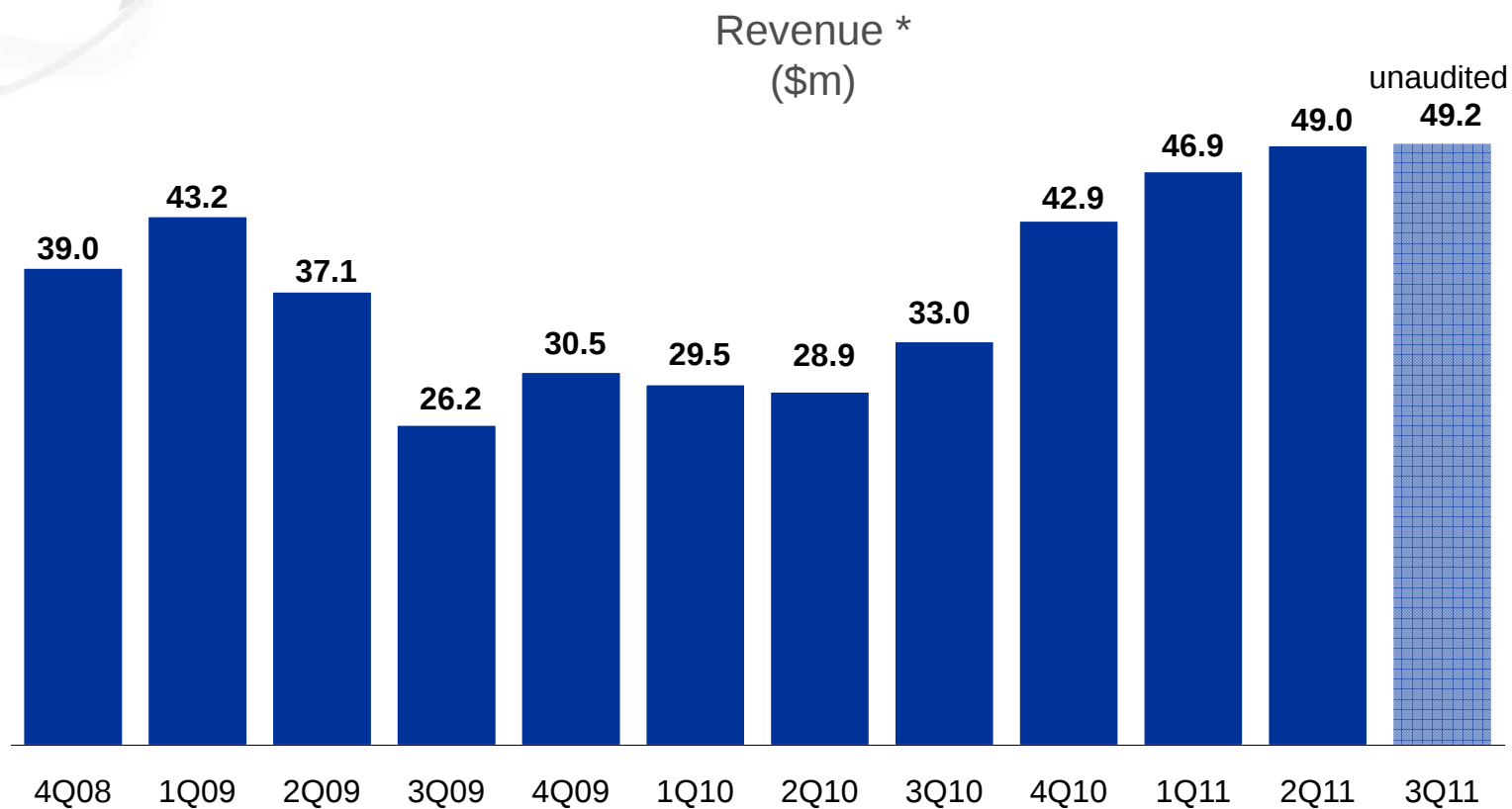
Imdex's competitive advantages

- **Well positioned**
 - Own our Intellectual Property, do our own research & product development and manufacturing
 - We have a global presence; sell/rent our products to market
 - Specialist skill set – both Minerals and Oil & Gas
- **Drilling Fluids and Chemicals differentiators**
 - Strong client service philosophy, focused on minerals segment
 - Drilling fluid engineers spend “face time” with customers, training
 - Investment in stock points close to customers
 - Competitors – Schlumberger and Halliburton (O&G focus)
- **Down Hole Instrumentation differentiators**
 - Technology leadership – rental model
 - Robust product development pipeline
 - Competitors – small, privately owned family businesses

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Strong revenue growth

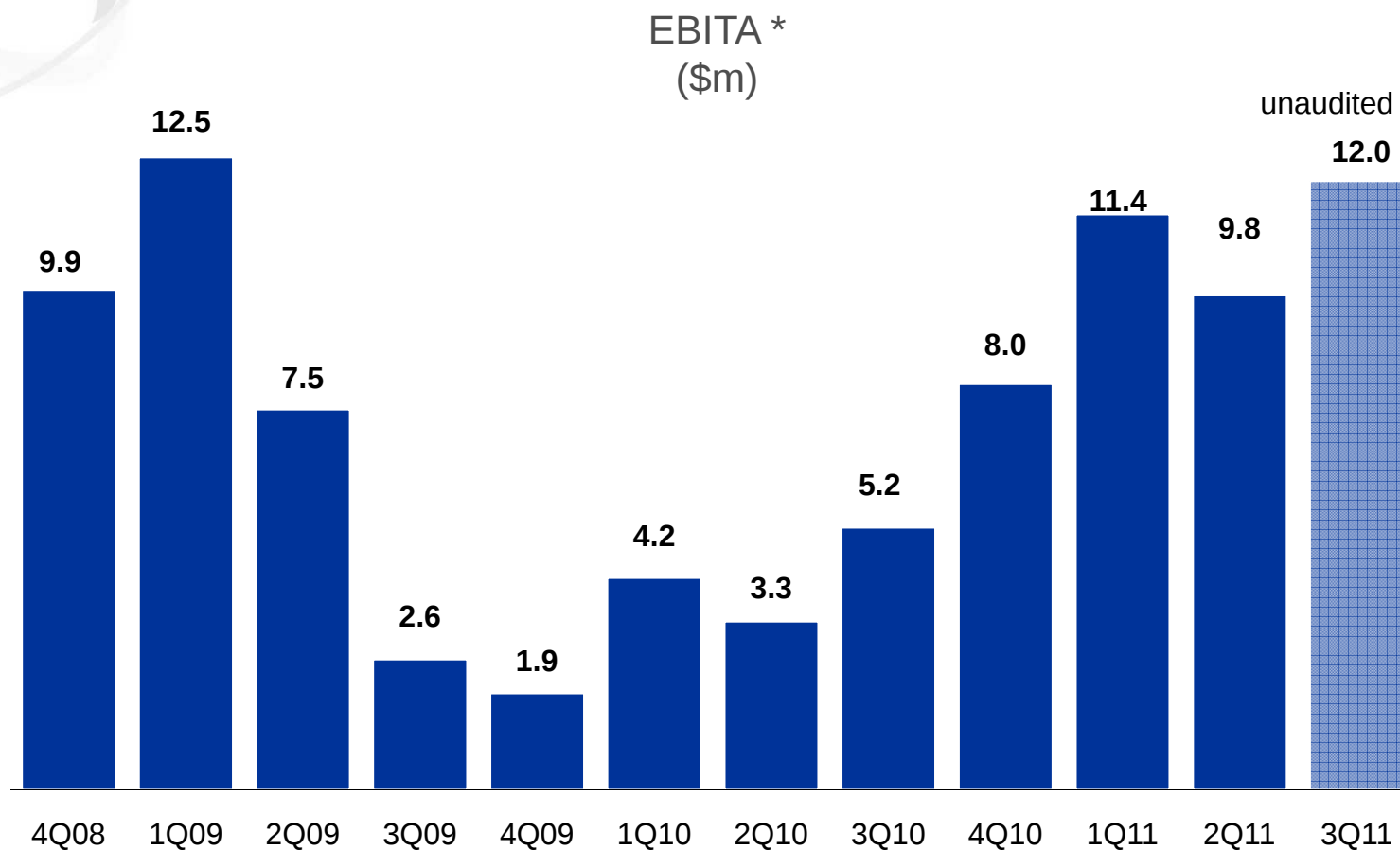


* excludes other income & discontinued operations

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Strong EBITA growth

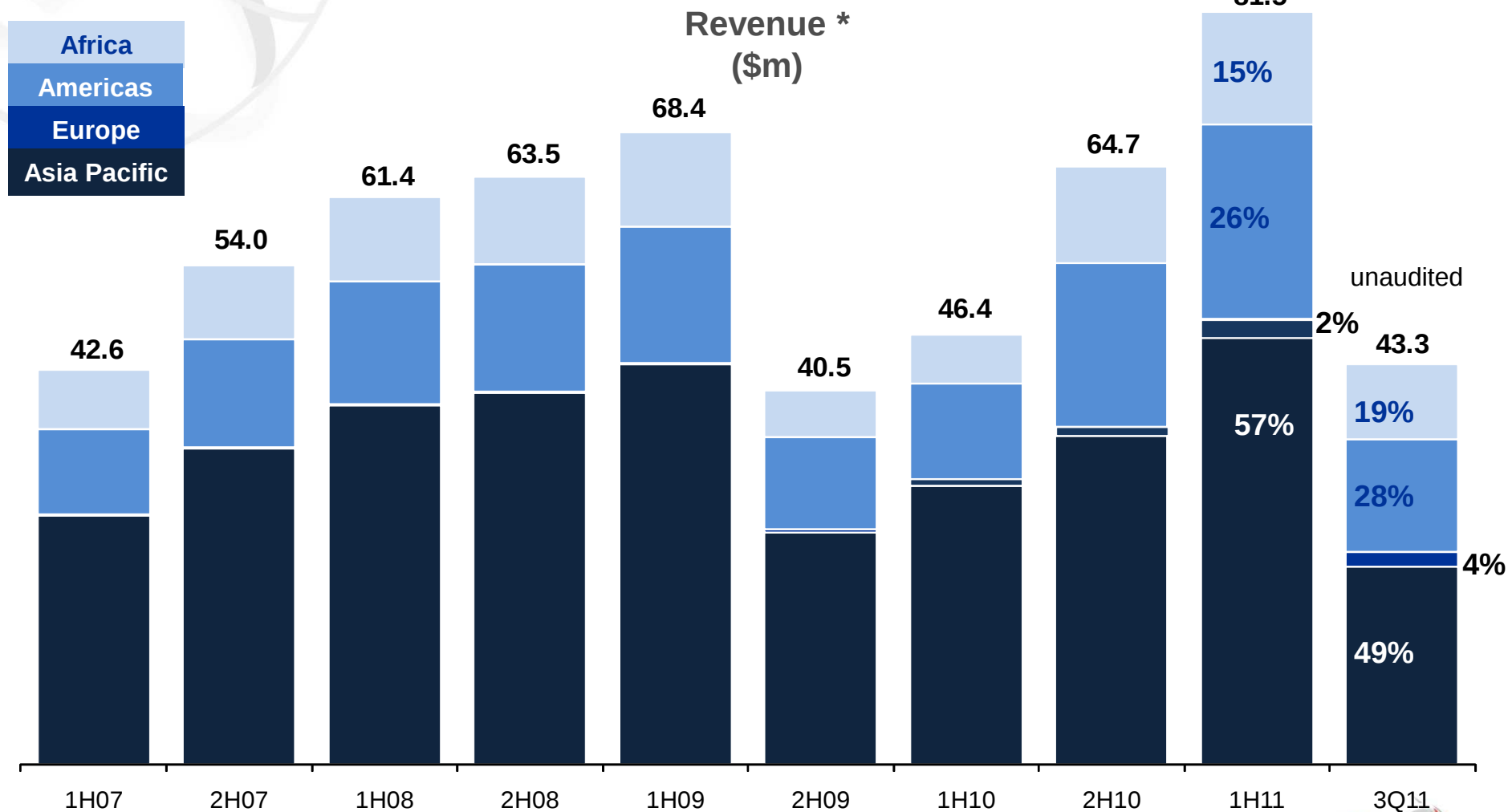


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Minerals Division



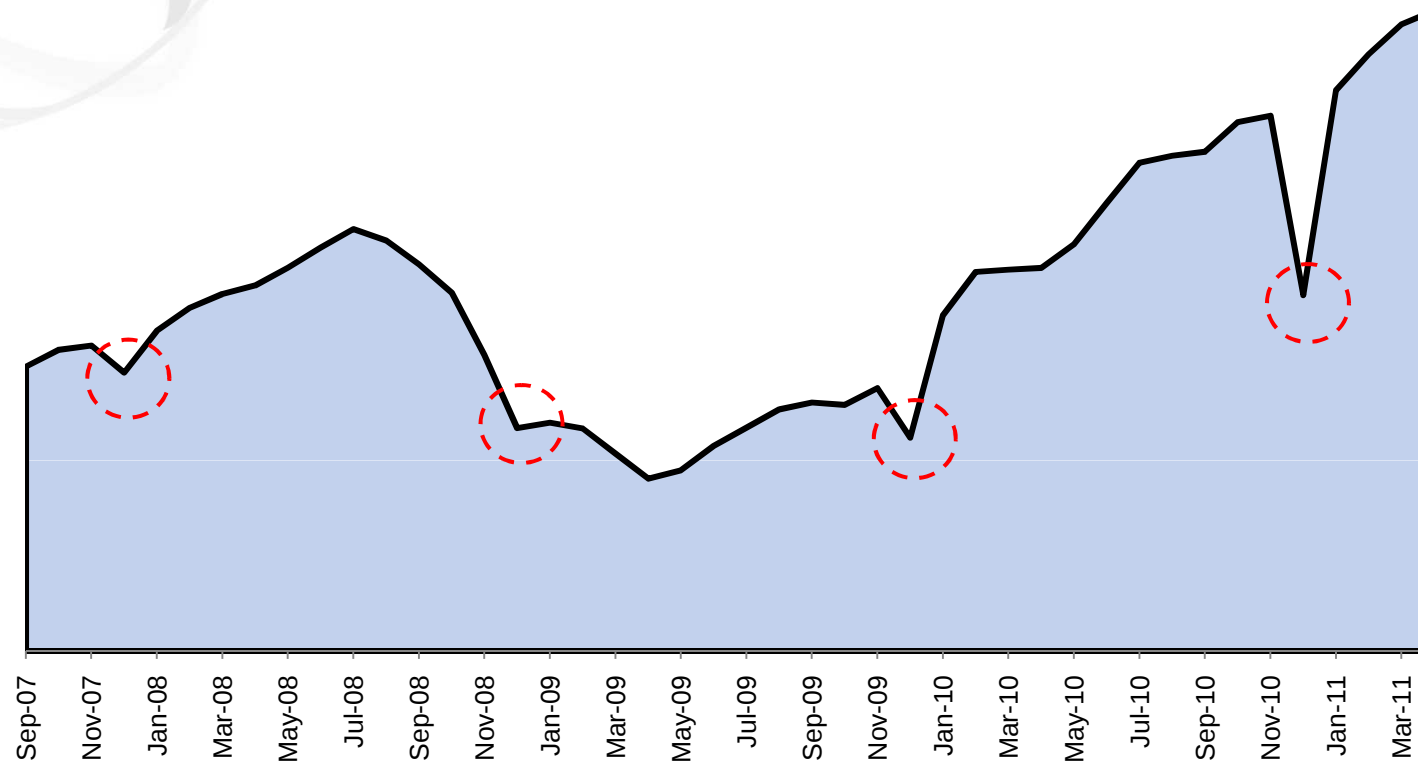
NB: Regional structure adopted 1 July 10 – Comparatives have been reconstructed using assumptions for illustrative purposes



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Record mining tool rental fleet

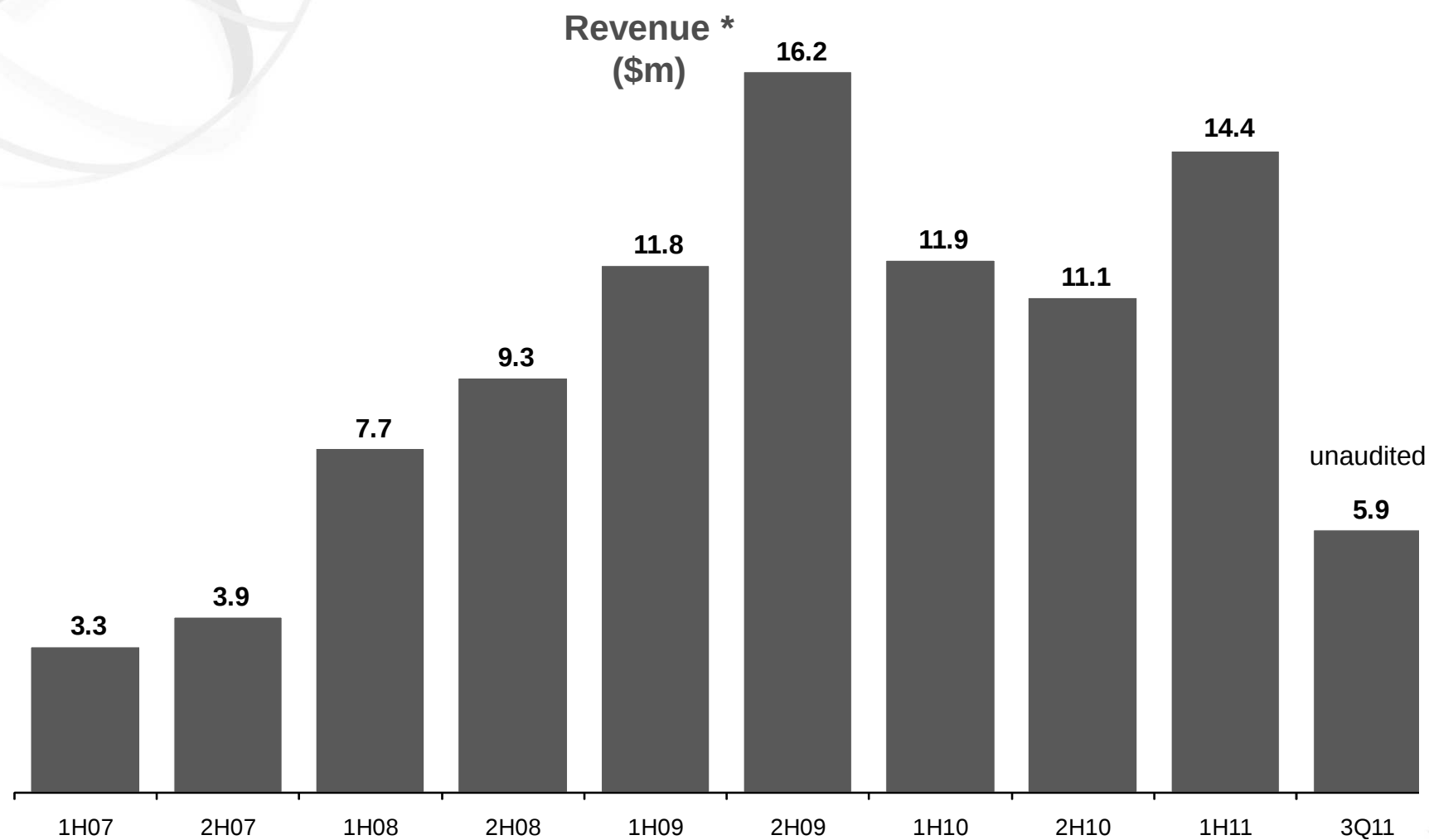


- Significant growth (↑ 252%) from April 09 low point
- Seasonal slowdown over December – highlighted
- New record at 31 March, 2011

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Oil & Gas Division



* excludes other income & discontinued operations



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Solids Control Technology



Traditional drilling fluid sumps



No sumps – fully enclosed system



No environmental damage

- Solids removal and fluid property management
- Small environmental site footprint
- Reduced site set up and remediation costs
- Reduced water consumption
- Less wear and tear to drilling components by abrasive fluid;
- Quicker to mobilise



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DHSO (Lime Rock) Oil & Gas Services J/V

- DHSO an existing customer of Imdex
- Majority owned by Lime Rock
- 50:50 joint venture based in Dubai
- Contributions:
 - DHSO – cash/clients
 - Imdex – technology
- Imdex sells technology to the JV at cost + margin
- Initial target market the Middle East then expand globally
- Main competitors – Scientific Drilling International, Gyrodata
- Global onshore and offshore surveying and steering market ~US\$500m- US\$600m
- Aggressive growth planned over next 5-7 years

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Mud-Data Acquisition

- Drilling fluids and chemicals:
 - Complementary to the current fluids & chemicals businesses
 - Good strategic fit – footprint into Europe
- Strong markets:
 - Conventional oil & gas
 - Geothermal
 - Shale gas/Tight gas
 - Gas storage and CO₂ storage
 - Environmental
 - Civil industries
- Solids control and high quality equipment
- Potential cost effective manufacturing base for AMC mineral solids control equipment



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Key business drivers and outlook

Mineral exploration spend



Strong commodity prices. Exploration activity levels and estimated spend at record levels

Client rig utilisation %



Estimated full drill rig utilisation levels around mid C2011

Level of tool rentals



New tool records set at 31 March, 2011

Development of new instrumentation



Product development spending ongoing on both mining and oil & gas tools

Revenue and cost synergies



3 global brands (AMC, Reflex, Flexit)
Regional structure = more effective cross selling

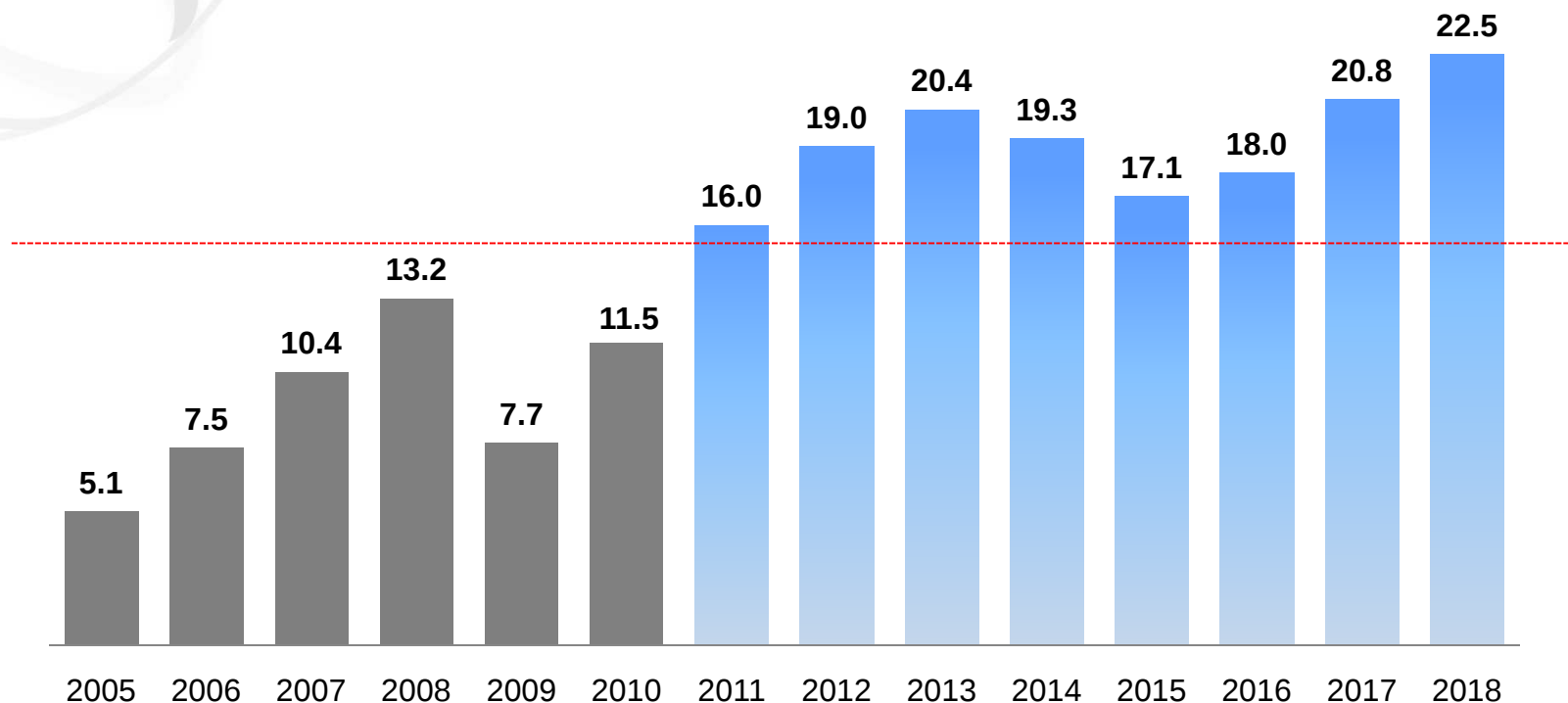
Key growth strategy



Underpenetrated mining markets, oil & gas industry

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Increasing estimated global exploration spend (non-ferrous) (US\$Bn)



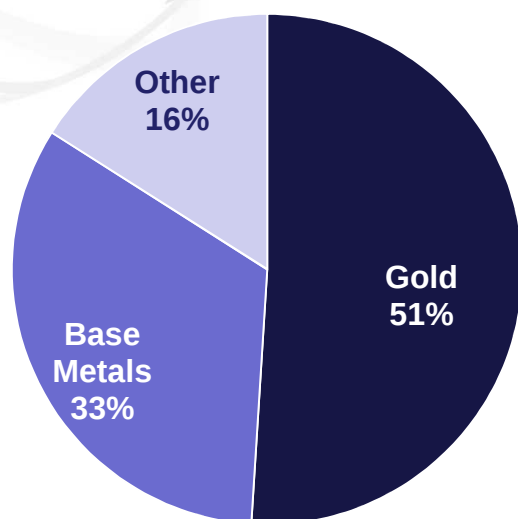
Source: McKinsey analysis; Metals Economics Group; Boart Longyear

- Projected 2011 levels are highest ever
- Future levels expected to be maintained above previous peak



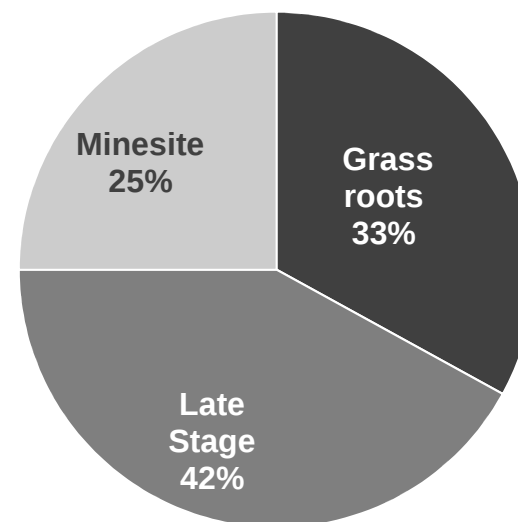
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Non-ferrous exploration spend (by commodity, by stage)



Spend by Target

Worldwide Exploration Budgets (2010)
Source: Metals Economics Group



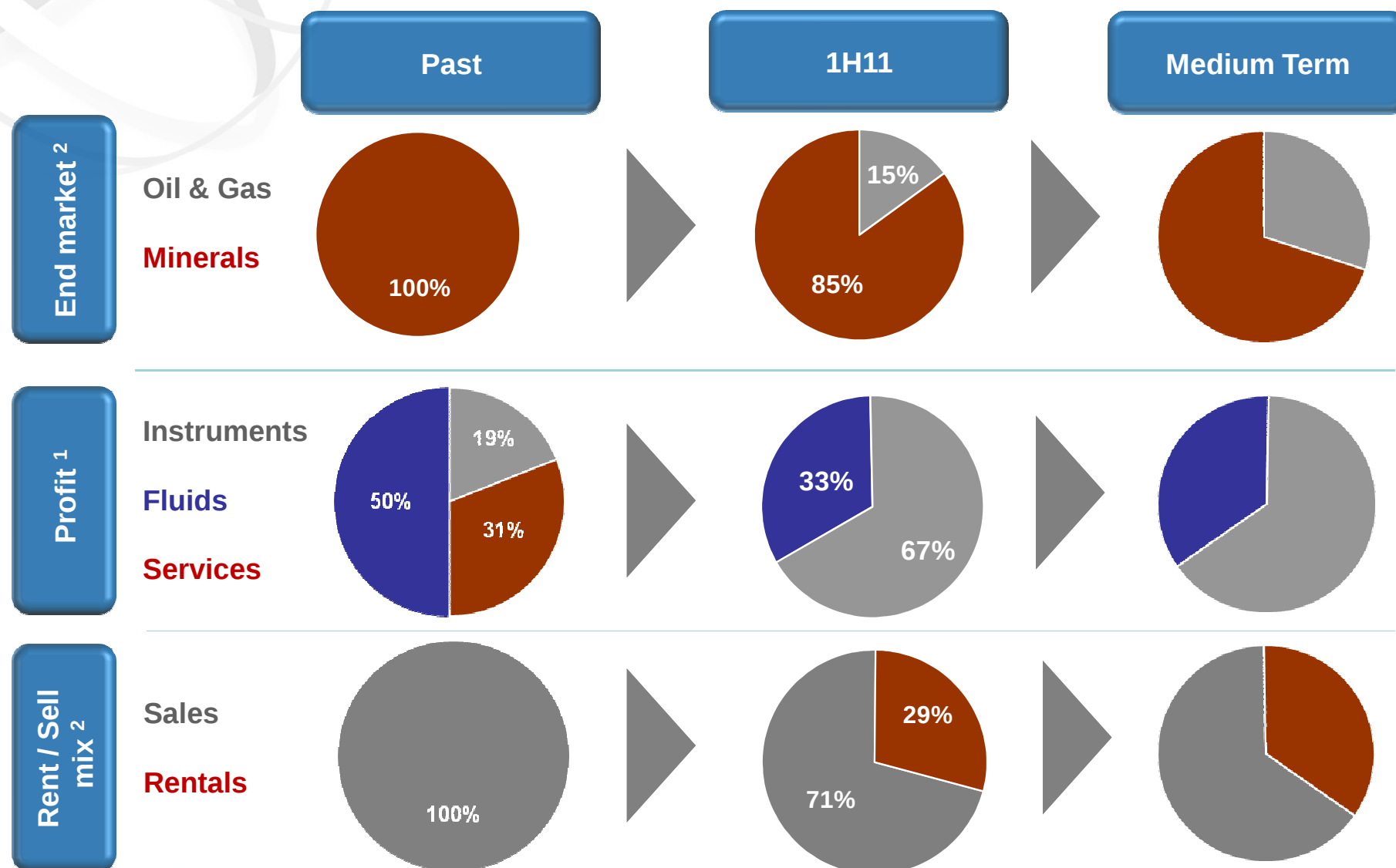
Spend by Stage

- Approx. half on gold. Of the base metals, 60% is copper
- Despite increased spending, # of new world class discoveries in decline
- Deeper, more complicated ore bodies
- Longer lead times from discovery to mine development

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On track with strategy



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¹ Based on actual or anticipated EBITA

² Based on actual or anticipated Revenue

Summary

- **Strong financial results delivered**
 - 1H11 record revenue and profit levels
 - 1.75 cents per share fully franked interim dividend
 - Record mining tool rental numbers at 31 March, 2011
 - Strong balance sheet with comfortable gearing
 - Record revenue in 3Q11
- **Growth initiatives**
 - Mud-Data acquisition drives Oil & Gas fluids growth in Europe
 - DHSO joint venture drives Oil & Gas instrumentation/services market growth
 - Further market growth and market share gains expected from new/improved instrumentation
 - Organic growth in DFC and DHI, primarily in Africa and the Americas
 - Proven solids control technology in FY12 and beyond

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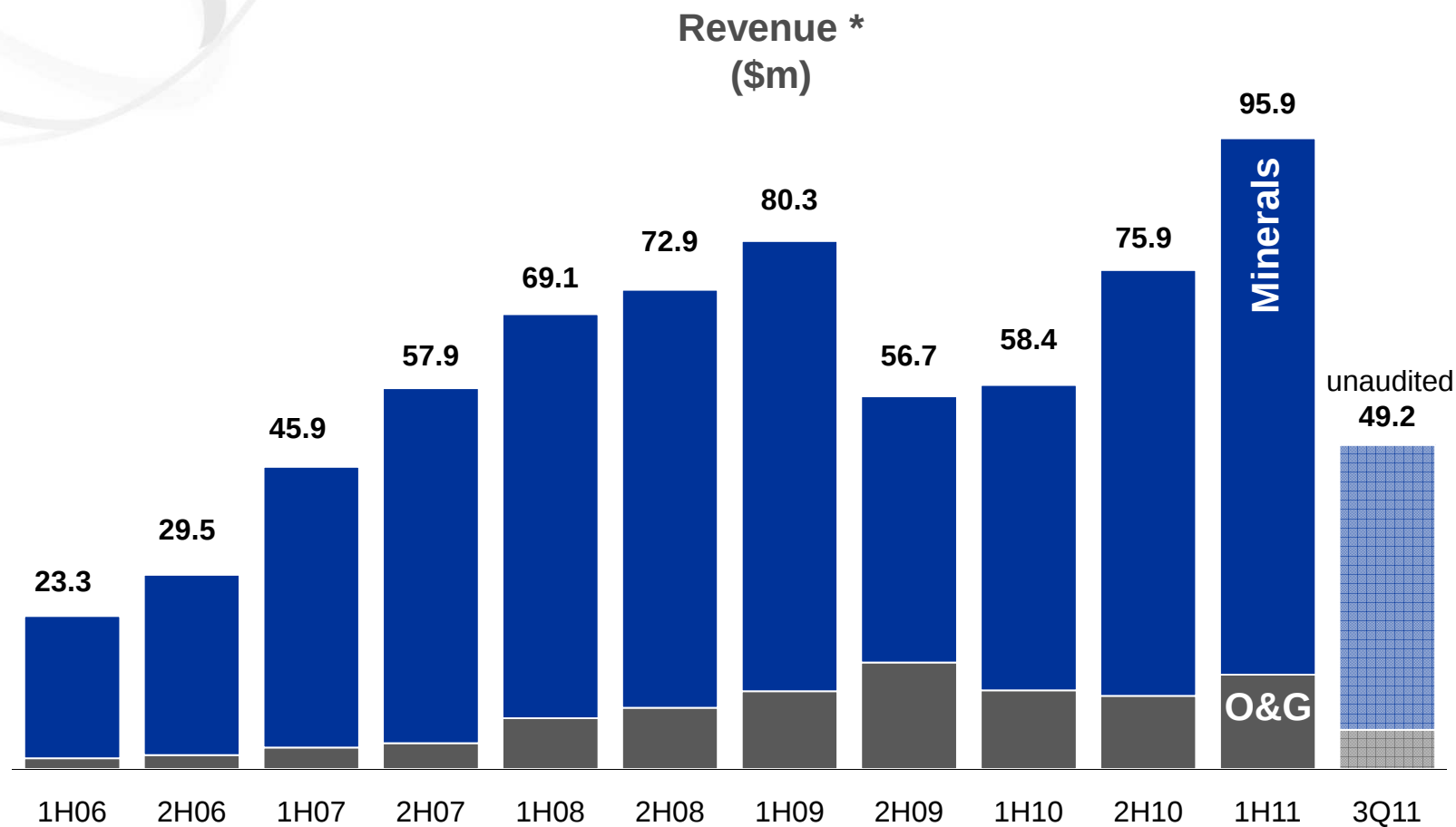


Appendices

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Strong revenue growth

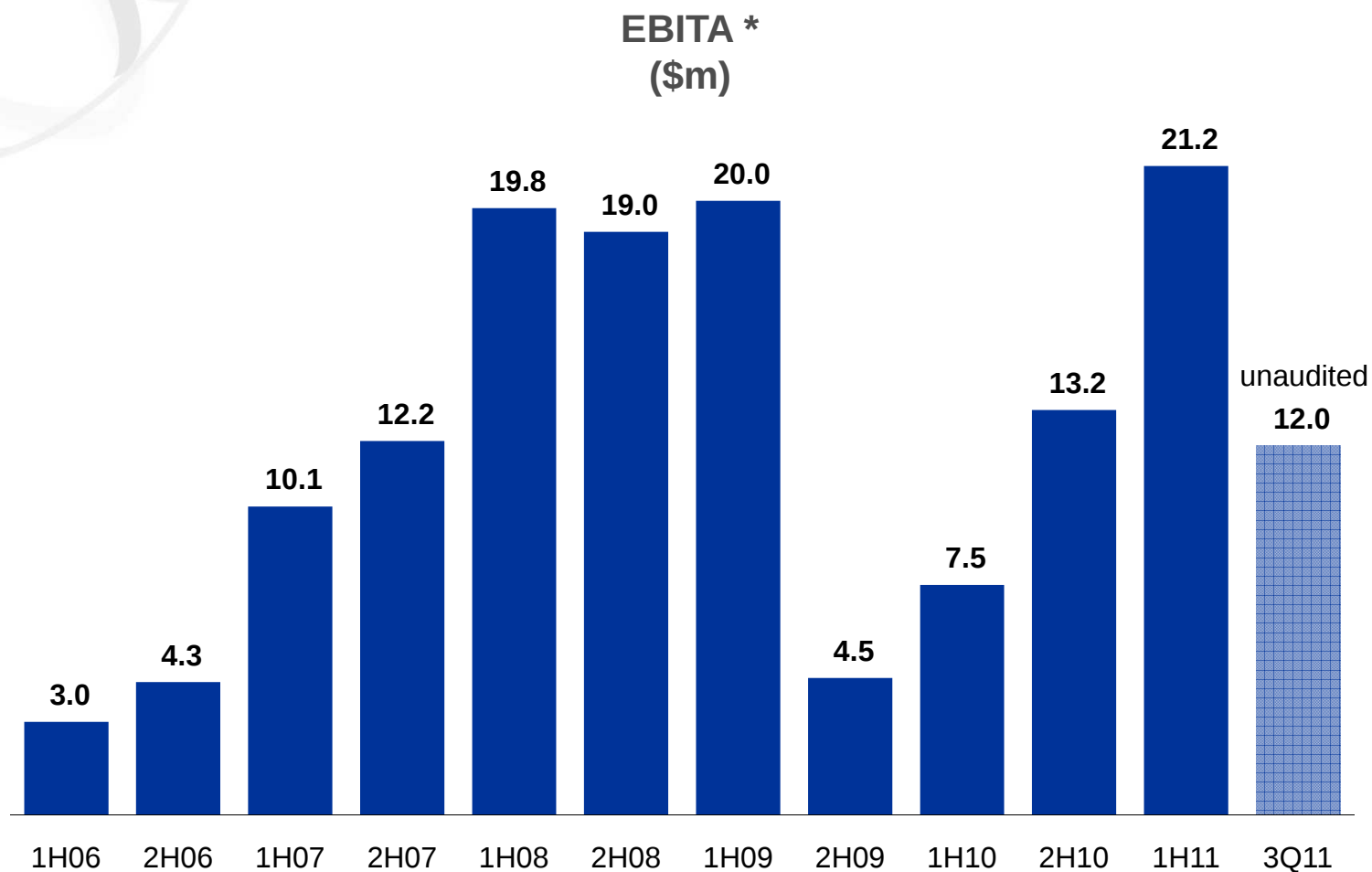


* excludes other income & discontinued operations

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Strong EBITA growth



* excludes discontinued operations and non-operational items

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Conservative balance sheet

(\$ millions)

	Dec 10	Jun 10
Net cash	15.9	9.0
Receivables	39.8	41.2
Inventory	36.5	28.6
Investment in SEH	16.6	6.8
Fixed assets	15.1	13.6
Intangibles	54.9	50.0
Other assets / Deferred tax	14.2	14.2
Total Assets	193.0	163.4
Payables	25.6	25.7
Commercial bills	27.4	19.5
Bank loan – Canada	8.6	5.7
Bank loan – Sweden	1.4	2.9
HP Finance	3.2	3.9
Provisions / Current tax	17.2	11.2
Total Equity	109.6	94.5

(CA – Inventory)/CL *

0.89

1.03

CA/CL *

1.43

1.58

Gearing (net debt / capital)

18.4%

19.6%

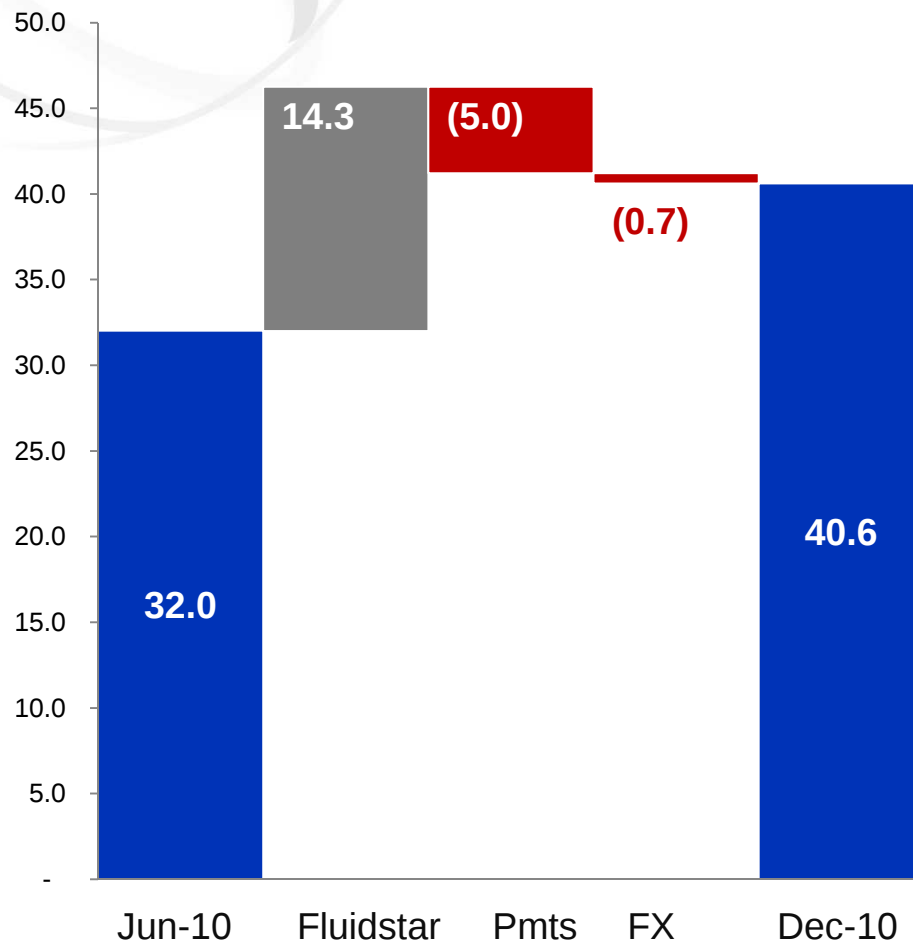
- Strong liquidity and working capital ratios
- Decreased gearing due to strong profits and cash on hand
- Low capital intensity
- Deferred tax asset on unrealised profits in tools

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* using CIBC repayment terms
not reported disclosure



Comfortable gearing levels



- Additional debt of \$14.3m for Fluidstar acquisition
- \$5.0m of AUD debt swapped into CAD. Better natural hedge – no net impact on debt levels
- \$5.0m of loan repayments as scheduled
- Net debt \$24.7m (\$23.0m – June 10)
- Gearing 18.4% (June 10 – 19.6%)
- Interest cover of 16 times (EBITA over net interest)

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