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17 February 2014

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Dear Sir/Madam

1H14 Results Conference Call and Slide Show

Please find attached the script from today's 1H14 Results Conference Call and Slide Show.

Yours faithfully
Imdex Limited

Paul Evans
Company Secretary

<<Slide 1 – Cover >>

Good morning everyone. Thank you for joining us today as we present Imdex's results for the first half of the 2014 financial year.

<<Slide 2 – Today's Agenda>>

I will begin by providing an overview of the results. Paul Evans, Imdex's CFO and Company Secretary, will present a more detailed analysis of the company's financial results, and I will then review the company's operations and divisional performance, comment on the outlook for Imdex's main end markets – mining and oil and gas – and outline our strategy and opportunities for growth in 2H14 and beyond.

The presentation will take approximately 15-20 minutes; we will then be happy to answer questions. For listeners who are not familiar with the Imdex Group, additional information has been included in the appendices to the presentation slides, and is available on our company website.

<<Slide 3 – Overview>>

<<Slide 4 – 1H14 Summary>>

Challenging conditions in the global minerals industry persisted during the half and our results for the first half of the 2014 financial year show that. Nevertheless, we have continued to invest heavily in our product development and the results from this investment will begin to emerge in the second half of FY14 and for a number of years to come.

We have continued to invest in our Oil and Gas Division in both personnel and equipment and the diversification into this sector will also pay dividends over the medium to long term.

As a result of the subdued conditions in the global minerals industry and the expensing of costs associated with our product development and oil and gas initiatives, underlying EBITA was down substantially. Excluding the \$20.1 million profit on our partial sale of Sino Gas and Energy (SEH) the EBITA result was a loss of \$0.1 million. Included within this result were also one-off expenses of \$2.4m. Importantly gross margins within our Minerals Division were largely maintained.

Our growth initiatives continue in Oil & Gas with a respectable, although below expectations, 14% increase in revenue on the prior corresponding period. Our Oil & Gas Division will

continue to build momentum and, as our business becomes more diversified, Imdex will become less impacted by cyclical swings in the minerals market.

Our balance sheet is sound with gearing down substantially to 13% net debt to capital following the sale of approximately half of Imdex's shareholding in SEH.

In addition to reducing gearing, during the course of 1H14 we renegotiated our banking facilities, extending their term out to December 2016 and rebasing the key covenants on EBITDA rather than EBITA to reflect the increasing capital expenditure being undertaken by the business.

<<Slide 5 – Key Metrics>>

If I can turn now to Slide 5, which sets out the key financial results for 1H14 and comparative numbers for the previous corresponding period.

Combined revenue, which includes Imdex's 30% share of revenue from the VES joint venture, was down 25% to \$101.9 million. EBITA, excluding the \$20.1 million profit on sale of our partial divestment of SEH, was down 100% to an EBITA loss of \$0.1 million. Included in this result was \$2.4 million of one off expenses. Net profit after tax, which includes the profit on the partial sale of SEH, was down 8% to \$15.3 million. Our pre-tax operational cash flow was down 88% to \$4.2 million.

As mentioned earlier, our gearing remains low at comfortable levels, with net debt to total capital at 13% and interest cover to EBITA of 14 times.

We have continued to reduce personnel in our minerals business and our global workforce is, over the past six months, down by 6% to 561 people at 31 December 2013. The personnel reductions in minerals have largely been offset by increases in our Oil & Gas business and approximately 35% of our employees now work in this Division.

Given the trading results of the business, the Directors have not declared an interim dividend.

<<Slide 6 – Revenue>>

Slide 6 shows Imdex's combined revenue of \$101.9 million for 1H14, which includes our share of the revenue from the VES joint venture. This is down 25% on combined revenue generated in 1H13.

The Minerals Division generated 62% of our overall revenue, however, was 38% down on the previous corresponding period due to the cyclical slowdown in the sector mentioned earlier.

During 1H14 we experienced month on month reductions in the REFLEX rental fleet, from the record high achieved in June 2012. Encouragingly, instrumentation numbers on active hire, post the traditional Christmas/New Year shutdown, have increased from the low point and are forecast to return to September/October 2013 levels by the end of March.

The Oil and Gas Division contributed 38% of total combined revenue for the half. This business has good momentum going into the second half of the year and strong potential for ongoing growth.

<<Slide 7 – EBITA>>

Moving to slide 7, EBITA, excluding the partial sale of SEH, was an EBITA loss of \$0.1 million. One-off adjustments of \$2.4m were also included in this result.

Importantly, gross margins have been largely maintained in the minerals business.

The lower underlying EBITA is a reflection of the cyclical downturn in the global minerals business. It also reflects our spending on product development so the company is strongly positioned for any rebound when it occurs. As revenue recovers, so too will our EBITA performance. The VES joint venture performed strongly at the EBITDA line. I will say more on that later in the presentation.

Before moving onto the operational review and outlook for Imdex's principal markets, strategies and opportunities for future growth, I will invite Paul Evans to provide more detail regarding Imdex's financial performance.

<< Slide 8 – 1H14 financial performance >>

<< Slide 9 – Balance Sheet >>

Thank you Bernie.

Moving to slide 9, net assets have increased \$18.6 million since 30 June 2013, principally due to the decrease in borrowings achieved largely by the partial sale of our interest in SEH.

We achieved additional reductions in our minerals inventory levels, however, these have been offset by the increase in oil & gas stocks to satisfy growth in that sector.

Net debt at 31 December 2013 was \$30.6 million.

The company's balance sheet and financial position is in a sound position. Gearing, as measured by net debt to capital is at low levels, decreasing from 22% at 30 June 2013 to 13% at 31 December 2013. Interest cover to EBIT stands at 14x.

<< Slide 10 – Working Capital Management>>

Moving to slide 10, during the half, \$6.4 million was generated from operations due to continuing improvements in inventory and debtor management, particularly within the Minerals Division.

The net inflow of income taxes for the period represents the refund of taxes paid on forward estimates for the prior year.

I'll now pass back to Bernie for the remainder of the presentation.

<< Slide 11 – Operational review >>

<< Slide 12 – Minerals division >>

Thanks, Paul. As many of you know Imdex operates two divisions being Minerals and Oil & Gas.

The bar chart on slide 12 shows our Minerals Division's half year revenue of \$63.7 million, representing 62% of Group combined revenue, down 38% on 1H13.

Asia Pacific continued to be the dominant region generating 43% of this division's revenue. The Americas and Africa contributed strongly with 32% and 17% of revenue respectively

whilst Europe made up the balance of 9%. The cyclical slowdown has been felt uniformly across all regions.

During the half, there was a contraction in spending on mineral exploration and development globally as the major resource companies reduced spending, including on brownfield projects. At the same time, Junior miners and explorers have found equity markets unsympathetic towards funding and have also reduced expenditure considerably.

Global rig utilisation during the half reduced to below 20% in some countries and globally, was in the range of 20%-30%.

Despite the more challenging environment, AMC remains the leading brand of drilling fluids for the global mining industry and REFLEX is a leading global provider of data management and data analysis solutions to that industry.

Given these market leading positions the business is well placed to grow revenue in the current market and as conditions improve.

I have mentioned a couple of times earlier in this presentation about our product development. In the case of REFLEX, we have previously just had a range of down hole instrumentation. However, through the acquisition of ioGlobal in late 2012, we have been able to develop a whole new platform for growth. This includes data management and data analysis. We are able to introduce technologies that transform the efficiencies of customers operations, enhancing data accuracy, providing real time visibility and accessibility of data globally combined with leading analytics and consulting advice for effective decision making.

Resource companies and drilling contractors want more information faster so that they can drill and mine smarter. These initiatives assist our customers to reduce costs and increase efficiencies. During calendar 2013, these companies concentrated on taking costs out of their operations, including reducing headcount. They are now very focused on optimisation and evaluating new technologies to assist in increasing their efficiencies and are receptive to our product and technology offerings.

AMC's solids removal technology is now in the field and is continuing to gain interest from our customers. The slowdown in the minerals industry prevented these units from contributing meaningfully to our 1H14 results. However, we have units on BHP, Vale, Barrick and Cameco sites as we speak with units being mobilized for Rio. The large companies are starting to embrace this technology, which will become the industry standard

in due course. In addition, the underground unit has been fully developed and a heli-portable unit should be released for trial during 2H14.

We believe good opportunities exist to grow market share in underpenetrated markets such as the USA, Europe and parts of Latin America.

We have also been diversifying away from the traditional mining business by taking on more work in the civil, HDD and construction areas.

<< Slide 13 – Revenue base>>

Slide 13 provides an overview of our minerals revenue base showing little change from 4Q13. During 1H14, gold and copper continue to make up approximately 60% of our minerals revenue and iron ore a smaller but strong contributor at 12%. Just over 70% of revenue came from development and production activities and we are aiming to increase this percentage over time.

Our share of revenue from non-mining activities continued at 7% during the half.

Copper prices remain robust and the gold producers are busy taking costs out of their operations to work within the confines of the current gold price. The iron ore price remains pretty firm with the major producers forging ahead with their expansion programs.

In subdued times like this it is easy to forget that new world class discoveries have been in decline for many years, and exploration and production companies must continue to spend in order to replace depleting reserves and resources. When this happens, we will move off the bottom with better times ahead.

Over 75% of revenue was from major and intermediate companies, however, their decisions to curtail spending persisted during the half negatively impacting our revenue.

<< Slide 14 – REFLEX rental fleet >>

Slide 14 clearly shows the effect of the slowdown in the global minerals industry, where we experienced month on month declines from June 2012. This is at odds with the two previous years, where the number of instruments on rent was stable or growing in the period prior to the traditional slowdown during the Christmas/New Year holiday season. At 31 December 2013, you can see the negative seasonal impact; nevertheless instruments have been going back out on hire post the traditional holiday slowdown period and we have seen a 33% rebound from the 31 December low point as at 7 February 2014. As more rigs return to work

we expect additional instruments will be on active rental and should return to September/October 2013 levels by the end of March 2014.

<< Slide 15 – Oil & Gas Division>>

Slide 15 shows that in 1H14, the Oil & Gas Division combined revenue was up 14% to \$38.2 million compared to the previous corresponding period, and represented 38% of Group combined revenue. Included in this revenue figure is \$9.7 million, being Imdex's share of the VES joint venture.

The major contributor to the continued growth of AMC in the oil and gas sector was market volume growth in Asia Pacific in both conventional and unconventional work. We have continued to invest in our oil and gas teams and we are confident this will support the growth agenda for this business with consequential margin improvement as scale increases.

We are also very happy with the performance of Vaughn Energy Services which I will go into in more detail shortly.

<< Slide 16 – Oil & Gas Division>>

One of the growth opportunities is to supply equipment, mainly rental, into the oil and gas industry. This increases our capital expenditure, however, many of the oil and gas operators now bundle the fluids and equipment, so you need both.

We have our own proprietary products for these significant markets, which are dominated by the major oil and gas service companies. Opportunities exist for companies like AMC who are very customer focused and service oriented.

<< Slide 17 – VES Joint Venture>>

The VES joint venture supplies downhole survey services to both the onshore and offshore oil and gas industry, primarily in the land based market in the US and is building in the Middle East and Latin America.

VES competes with the two well established incumbents, being Scientific Drilling and Gyrodata.

VES has competing technology of its own and also operates the unique Target INS from Imdex. The Target inertial navigation system is the only one of its kind being used in the market and is now the most accurate of any down hole survey technology being used in the global oil and gas industry.

<< Slide 18 – VES Joint Venture>>

In 1H14, the joint venture generated revenue of US\$29.9 million, up 8% on the previous corresponding period and EBITDA of US\$10.9 million, up 40% on the previous corresponding period.

Imdex owns 30% of the joint venture and our overall equity accounted share of profit after tax for 1H14 was \$0.3 million. The small contribution to our profit is due to the high amortization and depreciation charges in the business.

The joint venture is well positioned to grow revenue and profits, primarily through organic opportunities.

The VES joint venture is the third largest global provider in the annual US\$400 million-US\$500 million oil and gas downhole survey market. It is expected to increase both revenue and profit in calendar 2014.

<< Slide 20 – Summary – 1H14>>

The challenging trading conditions in the global minerals business has meant that tough decisions needed to be made. We have reduced personnel, particularly in the minerals division and focused on costs and efficiencies right across the business.

At the same time, we have continued an aggressive product development program, which is starting to pay dividends. A number of the technologies which have been commercialized are being introduced to the market in 2H14.

Imdex is on the path to becoming a fully integrated service provider to the global minerals industry encompassing all stages of the project life cycle and involving the resource companies, drilling contractors and other mining service companies.

Importantly, there are some exciting, game changing technologies under development which are likely to be introduced to the market over the next 1-2 years.

We will continue to aggressively market the AMC SRUs, grow market share in under-penetrated markets and win more non-mining business.

I know we have spoken about the diversification into the oil and gas market for some time and progress is slower than we would like. However, we have been recruiting extensively with further highly experienced personnel commencing in 2H14 which provide us with the ability to approach many customers and provide world class products and services to them.

The strategy to diversify into oil and gas is the right one contributing 38% of our overall revenue for 1H14 and will continue to increase in the future.

<< Slide 21 – Outlook>>

The global minerals industry was subdued in 1H14 and is expected to be similar in 2H14 as there does not appear to be any short-term catalyst to provide any uplift in momentum. Global rig utilisation is anticipated to be 20% - 30% and pronouncements by the major companies indicate capex spending will be less in calendar 2014 than calendar 2013.

The cost cutting and efficiency drive by the major resource companies provide opportunities for REFLEX HUB and our new product and service offerings in both REFLEX and AMC.

More robust trading conditions exist in the oil and gas industry and Imdex will continue to pursue growth opportunities in that sector.

<< Slide 22 – Key Priorities>>

Our priorities for the balance of FY14 include:

- A strong focus on prudent working capital management, cost structures, efficiency & productivity improvements
- Actively focusing on 3 broad initiatives:
 - o Pursuing market share growth in the Minerals Division: underpenetrated markets, non-mining business, SRU's & new technologies;
 - o Continuing to develop the oil & gas business – now in a stronger position to capitalise on opportunities; and
 - o Continuing to develop innovative technologies – minerals and oil & gas – to satisfy growing customer demand for productivity & operational efficiencies.

That brings the formal part of our presentation to an end. Thank you for your interest in Imdex. Paul and I are now happy to answer any questions you may have.