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imdex@imdexlimited.com

www.imdexlimited.com

ABN 78 008 947 813

29 April 2014

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

Dear Sir/Madam

Appendix 3B – System Mud Deferred Consideration

Imdex Limited (Imdex) has recently issued 1,637,179 shares to the previous owners of System Mud Industria e Comercio Ltda (System Mud) pursuant to the Share Sale Agreement to acquire the shares in System Mud which completed on 18 April 2012.

On 25 July 2011, Imdex announced to the market the proposed acquisition of System Mud for approximately $9 million, the final $1.155 million of which was subject to the issue of 330,000 shares at an issue price of $3.50 to be guaranteed over 2 years from the date of purchase. If the share price on the 2 year anniversary date was below $3.50, 330,000 shares were to be issued to the previous owners and there would be a cash ‘top up’ of the difference. The deferred consideration amount of $1.155 million could be reduced by any pre-acquisition items greater than $25,000 which would result in a liability to Imdex.

At 17 April 2014 the cash ‘top up’ amount was estimated at $0.94 million. Instead, to satisfy the deferred consideration commitment to the prior owners, Imdex recently renegotiated this to be satisfied fully by the issue of shares calculated at the 10 day volume weighted average price from the 2 year anniversary date.

The requisite Appendix 3B advice and section 708A notice is attached.

Yours faithfully
Imdex Limited

Paul Evans
Company Secretary

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29 April 2014

Notice pursuant to section 708A(5)(e) of the Corporations Act

The Company issued 1,637,179 shares (in two tranches on 24 and 29 April 2014) to the previous owners of System Mud Industria e Comercio Ltda.

The Corporations Act 2001 (Cth) (**Corporations Act**) restricts the on-sale of securities issued without disclosure under Chapter 6D of the Corporations Act, unless the sale is exempt under section 708 or 708A. By the Company giving this notice, any sale of the new shares will fall within the exemption contained in section 708A(5) of the Act.

In accordance with section 708A(5)(e) of the Corporations Act, the Company notifies ASX that:

1. the Company issued the new shares without disclosure to investors under Part 6D.2 of the Corporations Act;

2. as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Corporations Act, as they apply to the Company, and section 674 of the Corporations Act; and

3. there is no excluded information (as defined in section 708A(7) of the Corporations Act) which is required to be disclosed by the Company.

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	**1,637,179**
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)	**As per existing fully paid ordinary shares**

+ See chapter 19 for defined terms.

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 share rank Pari Passu with existing ordinary shares**
5	Issue price or consideration	**65.05 cents per share**
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	**Issued to vendors of System Mud Industria e Comercio Ltda (System Mud) pursuant to the Share Purchase Agreement to satisfy the deferred consideration commitment. Previously a combination of shares and cash, the $1.155 million commitment (less pre-acquisition adjustments) was recently renegotiated to be satisfied fully by the issue of shares.**
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	**24 April and 29 April 2014**

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	**212,110,367**	**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)	**-**	**-**

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.	
19	Closing date for receipt of acceptances or renunciations	

+ See chapter 19 for defined terms.

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 *in full* through a broker?	
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of	

+ See chapter 19 for defined terms.

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)	

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)		

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: **29 April 2014**
(**Company secretary**)

Print name: **Paul Evans**

+ See chapter 19 for defined terms.