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8 February 2021

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

Dear Sir/Madam

IMDEX 2021 FINANCIAL YEAR – HALF YEAR RESULTS

Please find attached the 1H21 Results Announcement of Imdex Limited detailing the Group's financial result and operating performance for the half year ended 31 December 2020.

Yours faithfully
Imdex Limited

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

Paul Evans
Company Secretary

Approved for lodgement by the IMDEX Board of Directors.

A leading global Mining-Tech company



8 February 2021

Strong 1H21 with a positive start to 2H21

Leading global Mining-Tech company, Imdex Limited (IMDEX or the Company), today announced its half year results for the 2021 financial year (1H21). The Company delivered strong results, declared an interim dividend and progressed its growth strategy despite unprecedented industry challenges brought about by COVID-19.

1H21 Financial Highlights

- Revenue of \$124.3m down 3% on 1H20
- EBITDA of \$33.1m¹ up 6% on 1H20
- Strong cash generation, with cash from operations up 33% and a focus on collections
- Declared a 1H21 fully-franked interim dividend of 1.0 cps
- Robust balance sheet with a strong net cash position of \$47m, up 84% on 1H20

1H21 Operational Highlights

- Zero lost time injuries and improved LTIFR over prior period
- Continued to successfully navigate impact of COVID-19, protecting personnel and supply chains
- Signed a joint development agreement (JDA) with a tier 1 mining company to advance Drilling Optimisation technologies
- A second JDA in final stages with industry partners for Rock Knowledge Sensor technologies for use in mining production
- Finalised IMDEX Sustainability Policy and commenced ESG materiality assessment to inform full year report
- Responded to increasing demand for remote working solutions – upgraded IMDEXHUB-IQ™ and released version ioGAS 7.3™ geochemistry data analysis software
- Record number of gyro-related technologies on rent – boosted production capabilities in response to demand by 33%, on track to increase to 100% by June 2021
- Record December and January for instruments on rent, despite the warmer winter in Canada
- Underlying operations, on a constant currency basis, recorded revenue and EBITDA up 1.5% and 9% respectively (1H21 v 1H20).

¹ Excluding \$3.6m gain on VES sale in 1H20 and \$2.2m gain in 1H21 on Flexidrill deferred consideration fair value adjustment.

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1H21 Key Metrics

(\$m unless indicated otherwise)	1H21	1H20	Var	Var %
Revenue	124.3	127.7	-3.4	-3%
EBITDA ¹	33.1	31.3	1.8	6%
EBITDA Margin % ¹	26.6%	24.5%	2.1%	9%
NPBT ²	18.9	23.3	-4.4	-19%
NPAT ²	13.5	18.2	-4.7	-26%
EPS (cents) ²	3.42	4.75	-1.33	-28%
Operating Cash Flow	33.2	24.9	8.3	33%
Operating Cash Flow Per Share (cents)	8.4	6.5	1.9	29%
Net Assets (at 31 December)	234.3	222.5	11.8	5%
Net Cash (at 31 December)	47.0	25.5	21.5	84%
Fully Franked Interim Dividend (cents)	1.0	1.0	0.0	0%
Full Time Employees (at 31 December)	500	514	-14	-3%

Commenting on the Company's 1H21 performance, IMDEX CEO Mr House said:

"We are proud of the results for the half and our ability to outperform industry growth rates³ in all market conditions – most notably under the duress caused by COVID. The contribution of our global team has been exemplary and worthy of acknowledgment. Its responsiveness to changing client demands during this challenging period is exceptional.

"Activity increased in the majority of our regions, underpinned by strong industry fundamentals. While COVID continued to disrupt operations it heightened demand for our cloud-connected technologies.

"The uplift in earnings reflects three key factors: an increasing percentage of revenue from our higher margin rentals and software business; leveraging the benefits of our digital transformation; and our ongoing focus on streamlining operations.

"The strength of our balance sheet enables us to accelerate targeted R&D in line with demand and leverage opportunities for acquisitive growth.

"While the short-term risks associated with COVID remain, we have a resilient business and a strategy focused on delivering sustainable earnings growth for shareholders."

² Includes higher D&A charges relating to additional assets to support increasing demand for gyro-related technologies and the Flexidrill and AusSpec acquisitions.

³ IMDEX uses S&P Market Intelligence global exploration expenditure for nonferrous metals as an industry benchmark

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Dividends and Capital Management Policy

IMDEX's Directors have declared a fully-franked interim dividend of 1.0 cent per share, which represents a 29% 1H21 payout ratio. The dividend record and payment dates are 9 and 23 March 2021 respectively.

IMDEX is committed to a sustainable dividend policy, while continuing to invest in technologies and software that will deliver substantial long-term growth for shareholders.

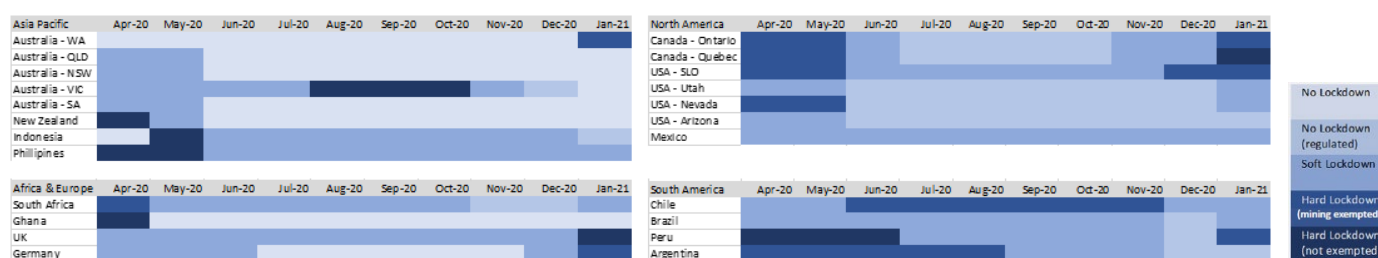
Operational Overview and Impact of COVID-19

During 1H21 client activity continued to increase in the majority of areas, most notably Canada, the USA and West Africa.

Given the strong industry drivers, mining companies remain positive about the outlook and are focused on sustaining and increasing activity where possible. This objective is supported by governments in most jurisdictions, as mining operations are considered essential to economic recovery.

Table 1 below shows the impact of government mandated COVID-19 lockdowns on IMDEX's key regions from April 2020. Restrictions within the majority of regions have been easing, however, some tightening occurred during January 2021. IMDEX will continue to closely monitor risks and leverage structural industry changes, together with increasing demand for technologies and software that enable remote operations.

Table 1: Evolution of Government Mandated Restrictions on Mining Regions



Strategy for Sustainable Growth

IMDEX has a clear and consistent strategy to achieve sustainable earnings growth, which includes:

- Growing its core business in exploration and development; and
- Expansion within the larger, less cyclical production stage of the mining value chain.

To deliver this growth strategy the Company invests in strategic acquisitions, ongoing and disciplined R&D to maintain technical leadership and industry collaboration. IMDEX's strong financial position, world-class R&D capabilities, established global presence and strong leadership team, support ongoing success.

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Outlook

IMDEX has had a positive start to 2H21 with a strong January uptake of instruments on rent. For the balance of FY21, the Company remains watchful regarding the risks posed by COVID-19 and ready to meet the increasing demand for mining technologies.

The fundamentals underpinning IMDEX's core business and growth strategy are compelling. Long-term positive drivers include:

- Large, mid-cap and junior resource companies are well funded and are increasing their expenditure to replace diminishing reserves;
- Resource companies and drilling contractors are embracing innovation and new technologies to lower costs, increase safety, enable remote working and achieve greater productivity;
- New discoveries are likely to be under cover and at depth resulting in larger drilling campaigns; and
- Strong commodity prices supported by government stimulus, decarbonisation targets and demand across a broad range of sectors including consumer, industrial and government related industries.

IMDEX is in a strong position to leverage these robust industry fundamentals and the unique competitive position its global presence, leading technologies and integrated solutions provide.

ENDS

ABOUT IMDEX

IMDEX is a leading Mining-Tech company, which enables successful and cost-effective operations from exploration to production. The Company develops drilling optimisation products and cloud-connected sensors to improve the process of identifying and extracting mineral resources for drilling contractors and resource companies globally. www.imdexlimited.com

FURTHER INFORMATION

Kym Clements – IMDEX Investor Relations Officer

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