

AUSTRALIAN

RESEARCH

BLUE BOOK SERIES

Exploration Review

Quarterly

July 2004

Exploration expenditure momentum continues

Contents

This is an extract from the July 2004 Quarterly Exploration Review.

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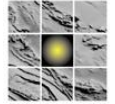
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Image Resources NL
ASX Code: IMA

Status:



Core Commodities	Nickel, Gold
Price (as at 29-Jun-04)	\$0.43
Market Cap	\$24.5M
Cash (as at June '04)	\$3.2M
Cash / Share	\$0.06
Turnover (pa)	\$30.2M

Top Shareholders

G. Sakalidis	9.9%
B. Dance	9.8%
F.D.L Ribton	9.7%

Summary activity for the current quarter	Quantity	Budget
Soil/Rock Chipping	various	0.02M
RAB	1600m	0.03M
RC/Diamond	3500m	0.35M
Assays	1400m	0.02M
Geophysics		0.10M
Other		0.05M
Total Expenditure		0.57M

Exploration Project 1: Emu Lake (30% IMA)

Location	70km E of Kalgoorlie	High-grade nickel sulphides have recently been intersected in this JV with Jubilee Mines, reinforcing the similarity to the nearby Silver Swan nickel mine.
Commodity	Nickel / Copper	
Style	Nickel Sulphide	An 11-hole 3,500m diamond and RC drilling programme is in progress to follow up these encouraging results. Jubilee may earn a 60% interest by sole funding exploration to completion of a bankable feasibility study.
Best Intersection	2m@6.2%Ni, 1.8%Cu	

Exploration Project 2: Lake Percy (100% IMA)

Location	25km N of Emily Ann Ni mine	Joint venturer Western Areas recently completed a reconnaissance RAB drilling programme. Anomalous Ni, Cu, Pt, Pb and sulphur values were intersected in wide spaced drilling of an interpreted ultramafic unit. Anomalous Ni/Cu values were also intersected a further 6km east in a separate ultramafic unit. Further drilling to follow up these early promising results is being planned.
Commodity	Nickel / Copper	
Style	Nickel Sulphide	
Best Intersection	2m@0.6%Ni, 180ppmCu, 65ppbPt+Pd, 3.6%S and 1m@0.9%Ni at eoh.	

Exploration Project 3: Woongaring (100% IMA)

Location	140km NE of Southern Cross	Troy Resources is planning a 6,000m RAB drilling programme on this 370 sqkm project. The drilling will test a large gold-in-soil anomaly occurring within a 10km x 3km corridor, which also contains areas anomalous in copper, lead and zinc. Interpretation of the geochemistry and aeromagnetics suggest a potential for Boddington-style intrusion-related gold mineralisation in this soil covered area as well as for shear-hosted styles of mineralisation.
Commodity	Gold / Copper	
Style	Intrusion Related / Shear Zone	
Best Intersection	10km-long Au-base metal anomaly	

Aegis Equities Comments

- **Projects:** IMA has many programs running at various stages but the one receiving a lot of attention is Emu Lake where excellent results are being followed up with diamond drill testing of extensions and new targets. Early stage work of shallow, wide spaced drilling at Lake Percy has returned encouraging nickel results. Initial drilling by Troy at the Woongaring gold/base metals project is one of four or five JVs; others include Jilbadgie, Adam Range and Mt Zephyr.
- **Potential:** With such a large aeromagnetic database, unparalleled by other junior explorers in Australia, IMA has the ability to identify many mineral targets that have the potential to lead to discovery. Emu Lake mineralisation is open at depth with the area potentially similar to the high-grade Silver Swan mine, 30k, to the west. Trojan/Woongaring is underexplored by virtue of its sand cover. Nickel sulphide values hosted in mafic/ultramafic rocks at Lake Percy are most encouraging.
- **Overall:** IMA is an active mineral explorer with the distinction of having a large portfolio of gold and nickel prospects in WA and gold-copper prospects in the NT. Its vast aeromagnetic database was compiled over many years primarily by founding director and major shareholder, George Sakalidis. The company was formed in 1994 and listed in 2002. Its modus operandi is to farmout selected projects so as to cost effectively maintain a high level of exploration while acquiring new projects.

Share price performance



Source: IRESS



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