

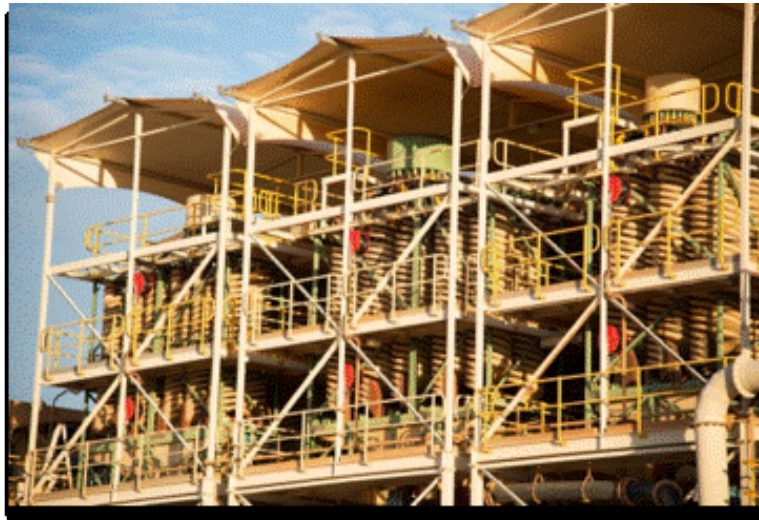
Boonanarring Mineral Sands Project: The next cab off the mineral sands rank?

17th Annual Informa Mineral Sands Conference

15-16 March 2017

Hyatt Regency Perth

Perth WA 6005



Patrick Mutz

Managing Director

Image Resources NL

ASX: IMA



Forward Looking Statement

Certain statements made in connection with this communication, including, without limitation, those concerning the economic outlook for the mining industry, expectations regarding prices, exploration or development costs and other operating results, growth prospects and the outlook of Image's operations contain or comprise certain forward looking statements regarding Image's operations, economic performance and financial condition. Although Image believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct.

Accordingly, results could differ materially from those set out in the forward looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes that could result from future acquisitions of new tenements, the risks and hazards inherent in the mining business (including industrial accidents, environmental hazards or geologically related conditions), changes in the regulatory environment and other government actions, risks inherent in the ownership, exploration and operation of or investment in mining properties, fluctuations in prices and exchange rates and business and operations risks management, as well as generally those additional factors set forth in our periodic filings with ASX. Image undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events.

Image Resources NL

ASX: IMA

Advanced mineral sands exploration company with extensive tenement holdings hosting substantial **high-grade mineral resources and ore reserves** in the **North Perth Basin** in Western Australia.

The Company is actively **focused on fast-tracking the development of its 100%-owned, high-grade and high-zircon flagship Boonanarring mineral sands project and targeting transitioning to mineral sands producer in early 2018.**

LOCATION

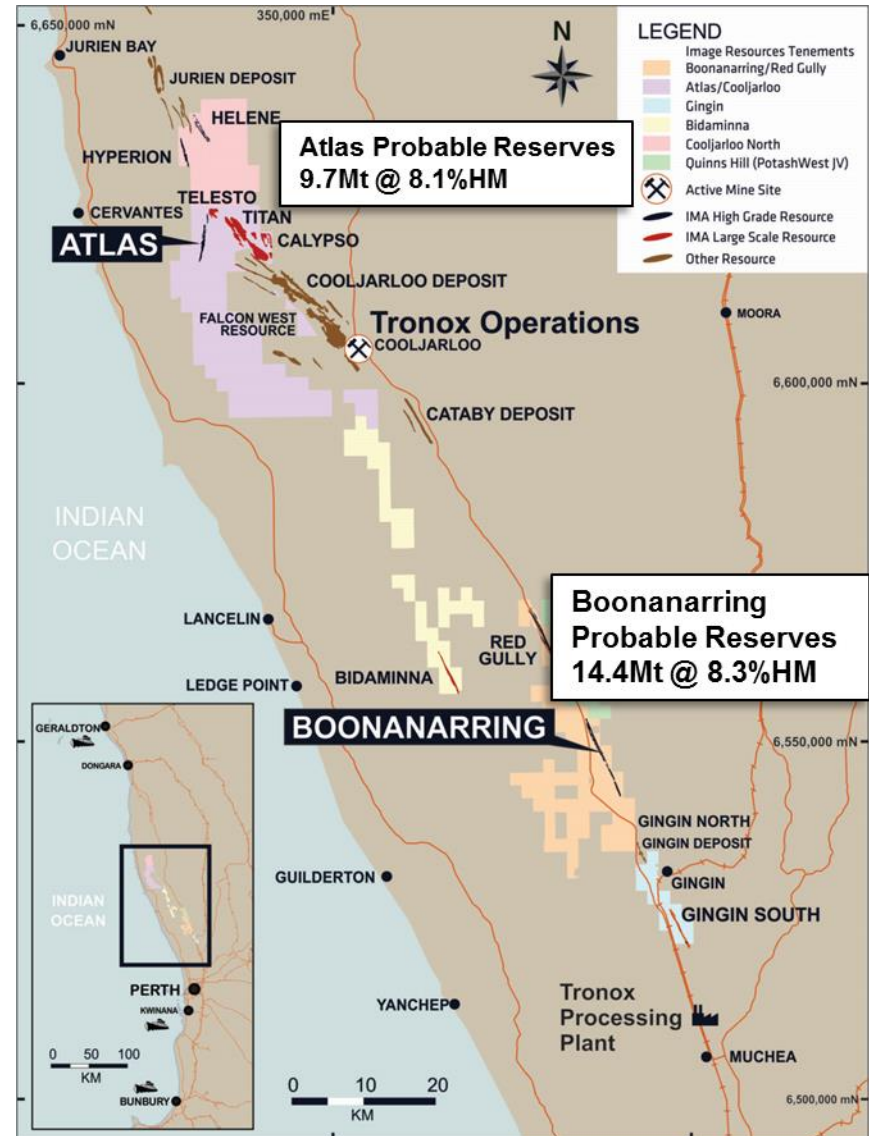
- North Perth Basin in Western Australia;
- 80 km north of Perth CBD;
- Proven mineral sands address;
 - Including majors Iluka and Tronox;
- Infrastructure rich;
 - paved roads, power, gas pipeline water, telecommunications etc.;
- Local communities and landowners experienced with and accepting of mineral sands mining.



✓ LOCATION

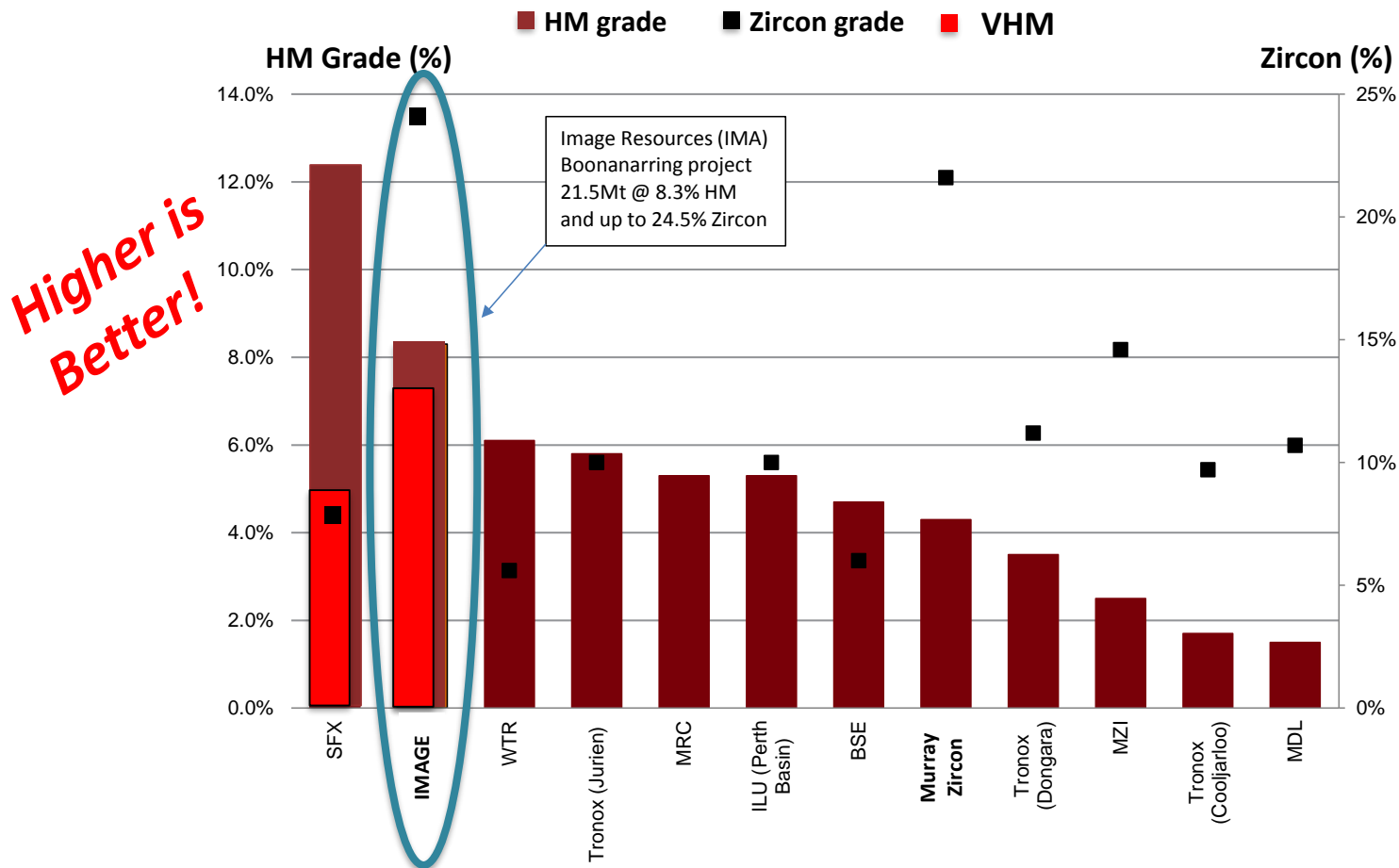
☐ QUALITY RESOURCES/RESERVES

- Boonanarring Mineral Resources (2017) JORC Code (2012);
 - 43.7M tonnes at 5.6%THM;
 - 18% zircon in THM;
 - 72% 'Valuable' HM in THM
- Boonanarring Ore Reserves (2013) JORC Code (2004);
 - 14.4M tonnes at 8.3%THM;
 - 24% zircon in THM;
 - 78% 'Valuable' HM in THM
- (2017) JORC Code (2012);
 - *To be announced soon.*



Boonanarring Project Comparison

High HM and Zircon grades relative to peers



Source: Released on 4th May 2015 – Morgan's Research Note

Mineral Resources and Ore Resources

High HM, VHM and very high zircon grade at Boonanarring

Probable Reserves	Ore (Mt)	HM (%)	Slimes (%)	VHM (%)	Zircon (%)	Rutile (%)	Leucoxene (%)	Ilmenite (%)
Boonanarring ¹	14.4	8.3	17.0	80	24	3	6	47
Atlas ¹	9.6	8.1	15.5	74	11	7	1	55
TOTAL	24.0	8.2	16.4	78	19	5	4	50

Resources	Ore (Mt)	HM (%)	Slimes (%)	VHM (%)	Zircon (%)	Rutile (%)	Leucoxene (%)	Ilmenite (%)
Boonanarring ³	43.8	5.6	18	72	18	3	2	49
Atlas ¹	10.8	7.9	15.7	76	10	8	5	52
Red Gully ¹	6.0	7.7	11.2	90	12	3	8	66
Gingin North ¹	2.4	5.5	15.0	77	6	3	10	57
Cooljarloo ²	191.6	1.9	17.8	85	10	1	2	71
Chandala / Gingin ¹	8.1	6.1	7.3	89	8	5	10	65
Cooljarloo North ¹	15.2	5.4	18.8	81	10	4	1	67
Bidamina ¹	44.6	3.0	3.6	96	5	1	7	82
TOTAL	300.2	3.2	15.1	86	10	2	3	70

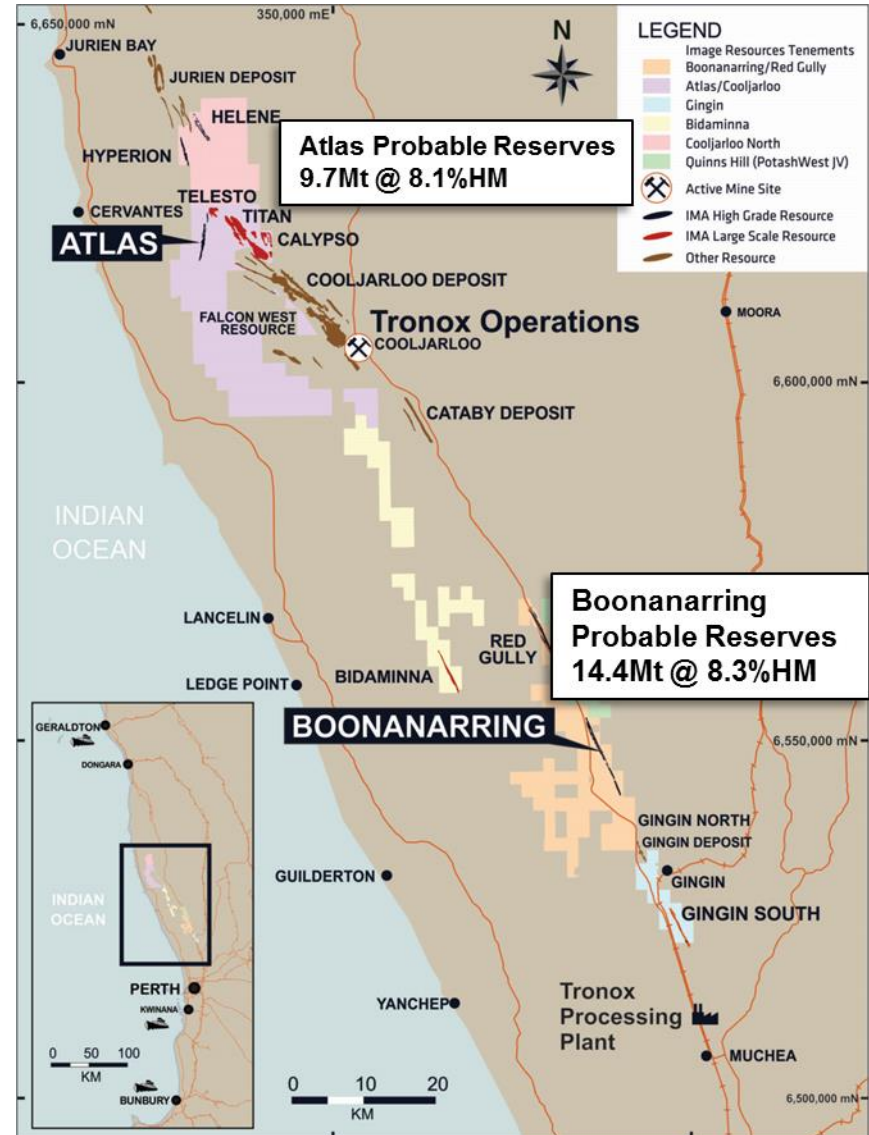
1 = 2.5% cut-off. 2 = 1.0% cut-off. 3 = 2.0% cut-off

LOCATION

QUALITY RESOURCES/RESERVES

UPSIDE POTENTIAL

- 1000 km² with significant potential for extensions of known resources and discovery of new deposits;



Boonanarring Deposit Extensions

Seeking to extend mine life beyond 10 years – 60km prospective target zone

Boonanarring North

- Targeting potential 5.6km extension; drilling 1.3km north of the deposit includes 14m @ 18% HM & 8m @ 22% HM; 50 drill holes planned (subject to access).

Boonanarring to Gingin North

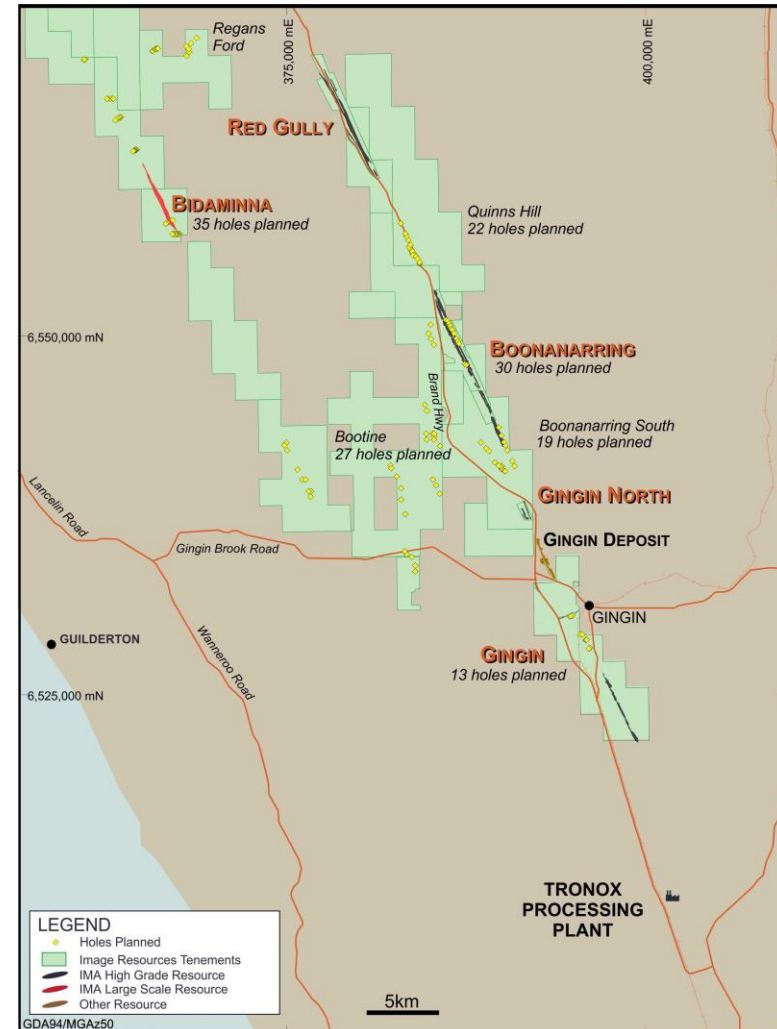
- Potential for 3.2km extension south of the Boonanarring deposit which is 13.2km long.

Gingin

- Targeting a further 1.3-1.5mt HM @ 5-6% HM; 7km strand; previous drilling includes 6m @ 10% HM from 27m;. Further drill holes planned to follow up results along 7km strand.

Red Gully

- Infill drilling proposed to increase grades and upgrade resource category in the southern half of deposit. Zircon grades elevated at 12-15%. The deposit is shallow starting at 15 meters.



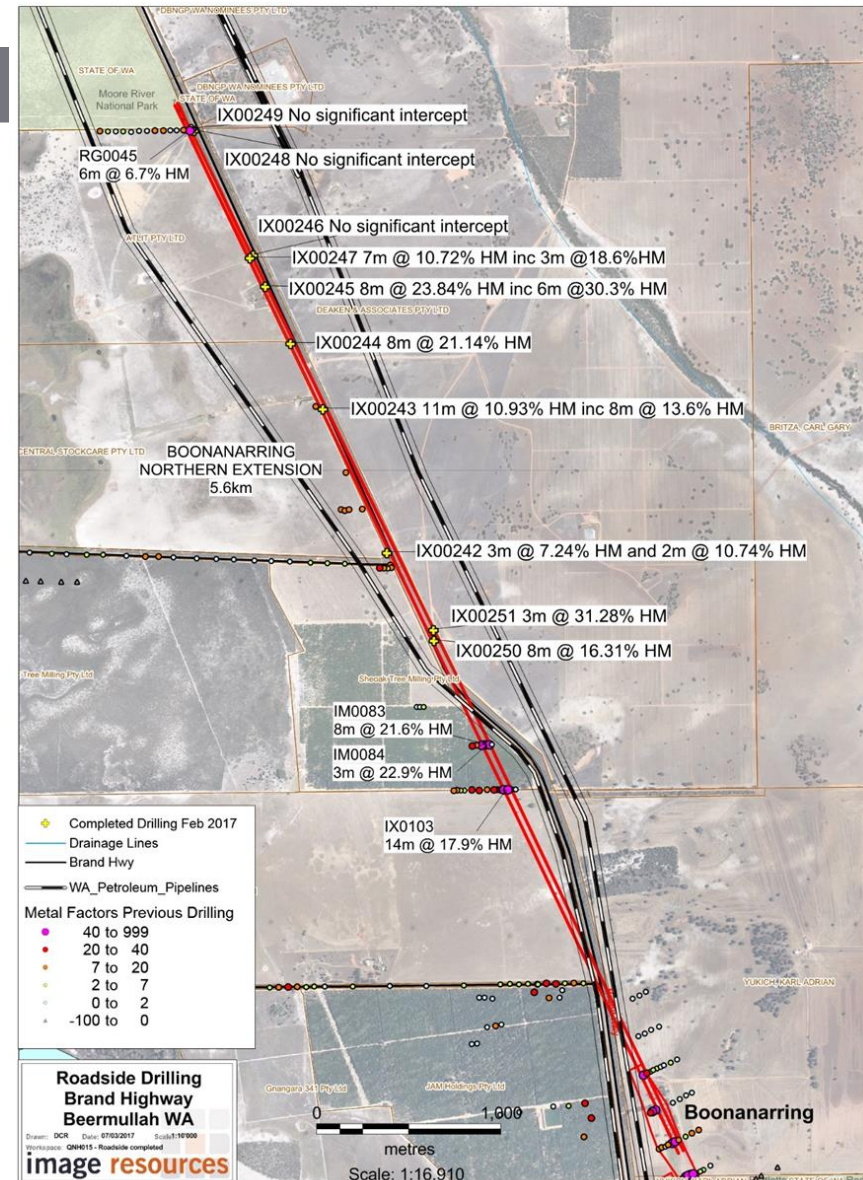
Note: The potential quantity and grade of the Exploration Targets are conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Boonanarring Deposit Extensions

ASX Announcement 13 March 2017

New Drilling Results (Feb 2017)

- Confirm 5.6km northern extension of Boonanarring mineralisation;
- Outstanding high-grade intersections:
 - 8m @ 23.8% HM in IX00245;
 - 8m @ 21.1% M in IX00244; and
 - 8m @ 16.3% HM in IX00250.

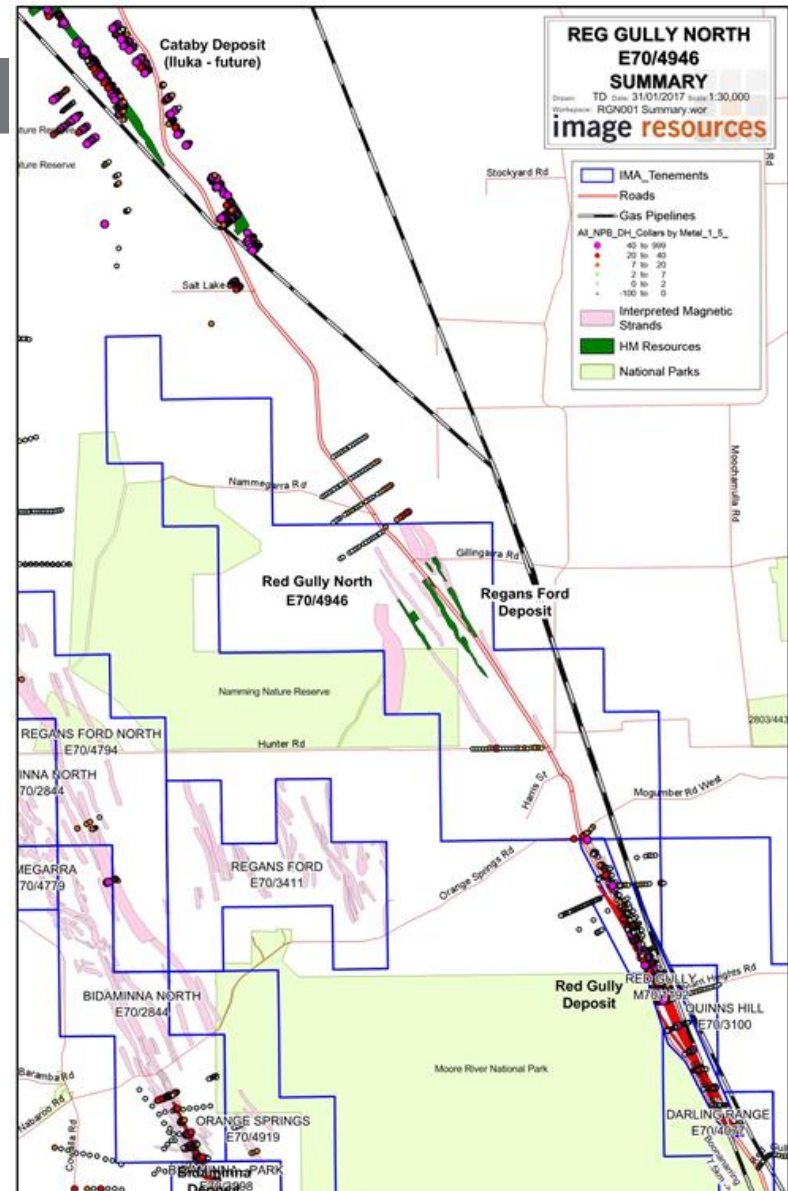


Upside Potential

ASX Announcement 20 February 2017

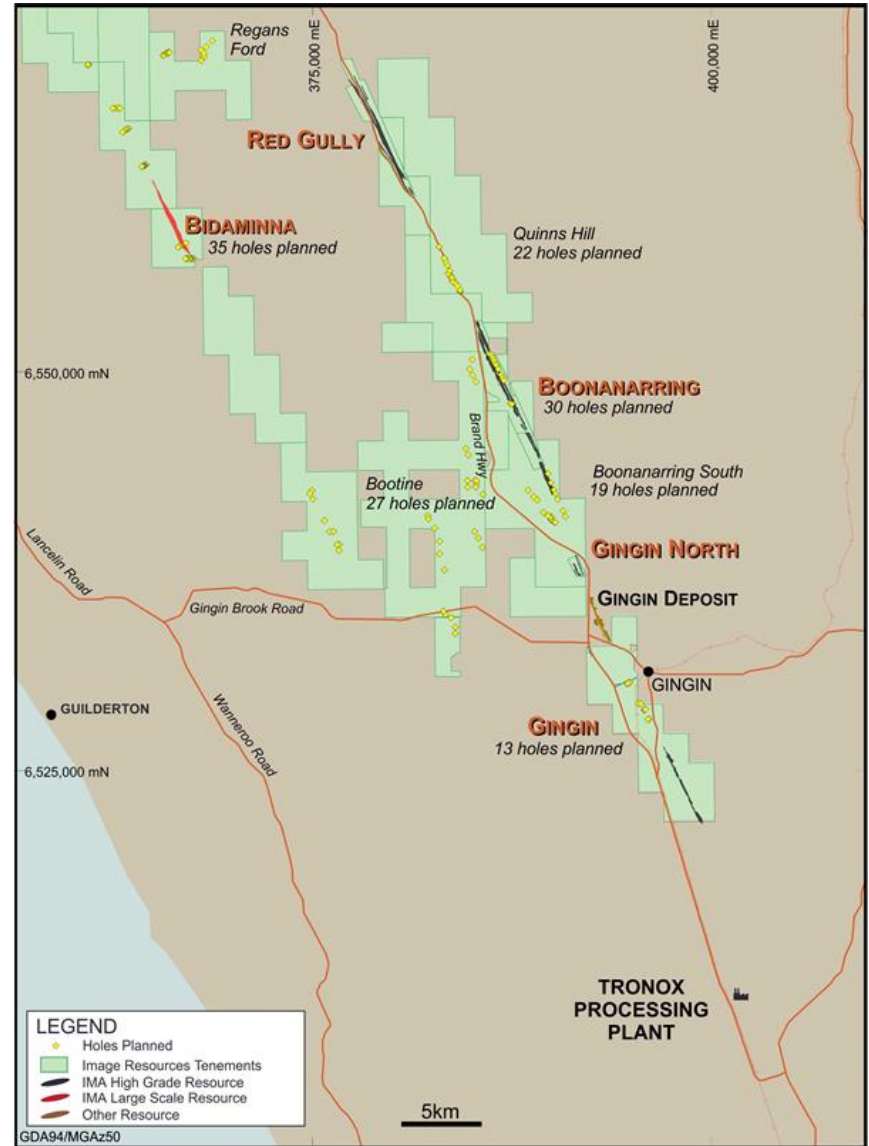
Application Filed for New ELA70/4946 (83 sq. km)

- Area will include 100% of Reagans Ford North heavy mineral deposit;
- Estimated Mineral Resources of 9.9M tonnes at 9.7% HM (JORC 2004);
- Ground magnetic surveys indicate a further 14km of potential target area beyond current 8.5km mineral resource strike length.



Upside Potential

- ✓ LOCATION
- ✓ QUALITY RESOURCES/RESERVES
- ✓ UPSIDE POTENTIAL



- LOCATION
- QUALITY RESOURCES/RESERVES
- UPSIDE POTENTIAL
- PROJECT APPROVALS

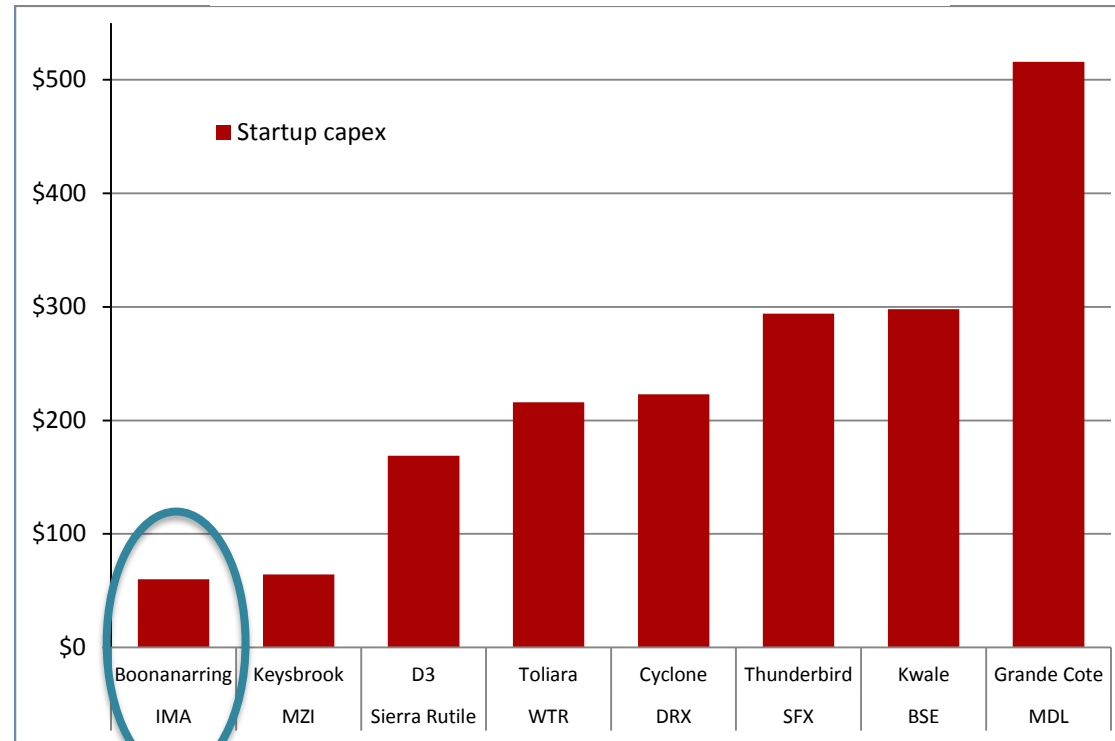
- Mining Lease & General Purpose Lease
- Part IV, Environmental Protection Act (WA) – PER
- EPBC Act (Commonwealth)
- Landowner agreements
- Groundwater Abstraction Licence (Dept of Water and Dept Parks & Wildlife)
- Project Management Plan/Radiation Management Plan **80% Complete**
- Works Approval (EPA) **50% Complete**
- Mining Proposal (includes Mine Closure Plan) **70% Complete**

Company Highlights

- LOCATION**
- QUALITY RESOURCES & UPSIDE POTENTIAL**
- PROJECT APPROVALS**
- FEASIBILITY STUDY**
 - Original FS announced 16 July 2013 with \$145m NPV and only \$64m capital;
 - Updating Study to bankable standard is in final stages.

Lower is Better!

Project Capital Cost (A\$million)





Australia's next mineral sands miner?

8 June 2016

Equity Transaction

completed with

Murray Zircon Pty Ltd

and

Guangdong Orient Zirconic Ind Sci & Tech Co., Ltd

Completion of transaction allows Image to tick the boxes on a number of critical project development issues and focus squarely on a fast-track path to production.

- **Owner/operator Mindarie Minerals Sands Project**, Murray Basin, South Australia;
- Successfully redeveloped, commissioned and operated Mindarie 2011-2015 followed by rapid and successful mine rehabilitation;
- Developed **strong relations with landowners, community, regulators and government**; earning its **social licence** to operate in South Australia;
- Developed a number of **innovative approaches to productivity and cost control**;
- Operationally **proven wet plant and equipment** of right design and capacity;
- Demonstrated **project development and operations management experience**;
- 79% owned by **Orient Zirconic**.

- **One of China's largest zircon processing companies with one of the most diverse range of zirconium products in the world;**
- **Global sales of zirconium products ranging from bulk commodities to nuclear grade zirconium sponge for nuclear reactors;**
 - Products used in special ceramics, biological ceramics, optical communication devices, solid-fuel battery, aerospace fields, electronic ceramics, jewel, ceramic glaze colour, high fireproofing, and many new materials. Bulk commodities including zirconium oxychloride, zirconium dioxide, fused zirconia and others.
- **Listed on the Schenzen Stock Exchange under ID 0002617;**
- **Market capitalisation** approximately RMB8.1billion (AUD1.5billion);
- Approximately 1,200 employees across **five factory locations across China;**



Orient Zirconic headquarters, Shantou, Guangdong, China



Orient Zirconic factory locations in China

CAPITAL EQUIPMENT

- All plant & equipment and internal infrastructure items necessary to construct a complete heavy mineral recovery operation; from slurry unit in the mine to wet concentration plant for HMC.

SHORT TERM FUNDS

- \$4M Short-Term loan funds with very favourable terms;

OFFTAKE AGREEMENT

- Contracted off-take agreement with Orient Zirconic for 90% of zircon at market price (~70% of revenue);

WORKING CAPITAL

- 2ndary working capital loan funds of US\$8M following First Production;

MINERAL SEPARATION SERVICES

- Access to mineral separation services in China;
- Purchase option for a Mineral Separation Plant in SA; and
- Local toll-processing option;

CORNERSTONE SHAREHOLDER

- New cornerstone shareholder with 20 years zircon processing and global zirconium products sales;

INDEPENDENT CHAIRMAN

- New very experienced independent Chairman;

NEW DIRECTORS WITH PRODUCTION EXPERIENCE

- 3 new Board members including Managing Director, all with mineral sands operations experience;



EXPERIENCED MANAGEMENT

- Project development and operations experienced senior management team;



MINORITY SHAREHOLDER PROTECTIONS

- Contracted protections for two years;
- No interference with 3 incumbent Directors or replacements;
- No vote on merger related issues;
- Mandatory equity raising support for 1 year; and
- Additional board seat for shareholder with >10% shareholding.



LOW CAPITAL COSTS

- Significantly lower remaining capital requirements with acquisition of wet plant and equipment.

Plant and Equipment (select examples)



Wet Concentration Plant



Mineral Separation Plant (Option)



Slurry Booster Stations & pipelines



HMC Stackers



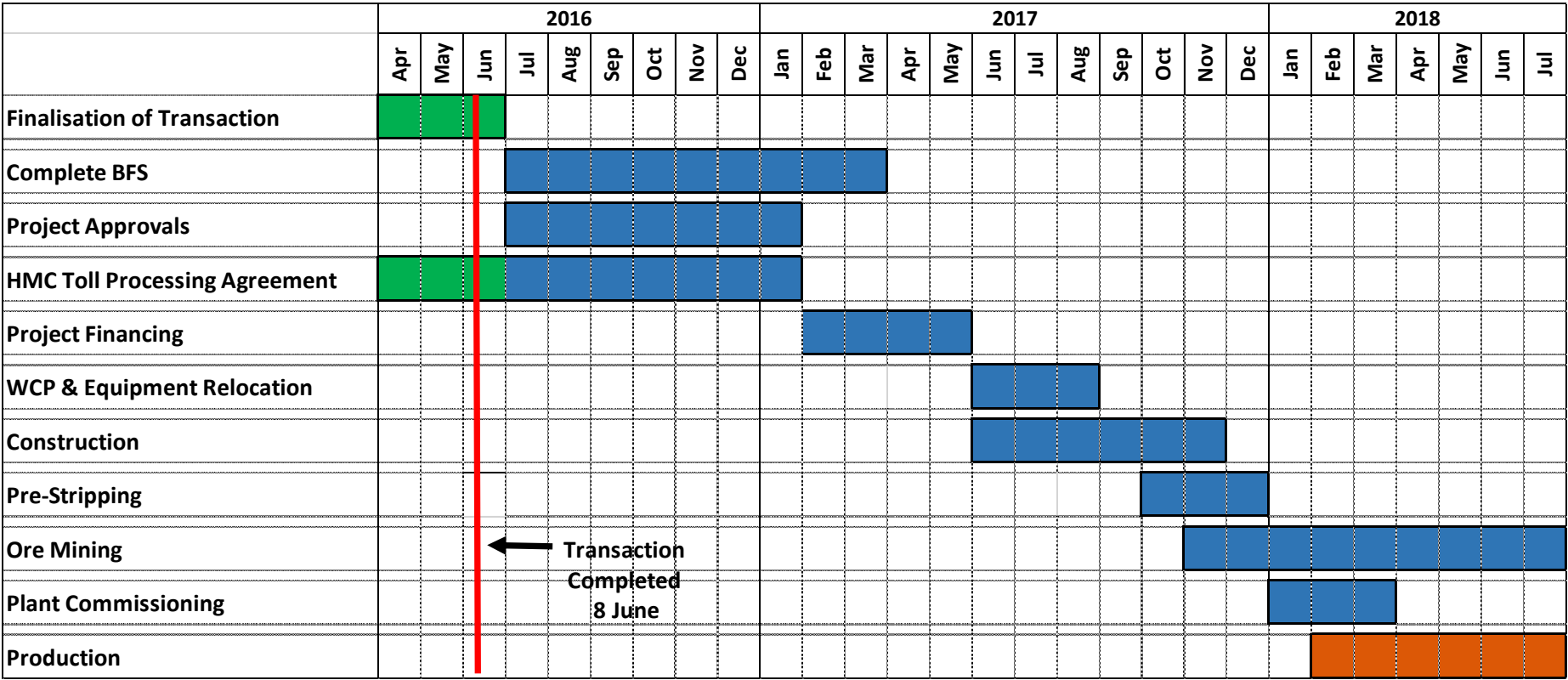
Power poles, wires & transformers



Mine Slurry Unit

Plus much, much more.

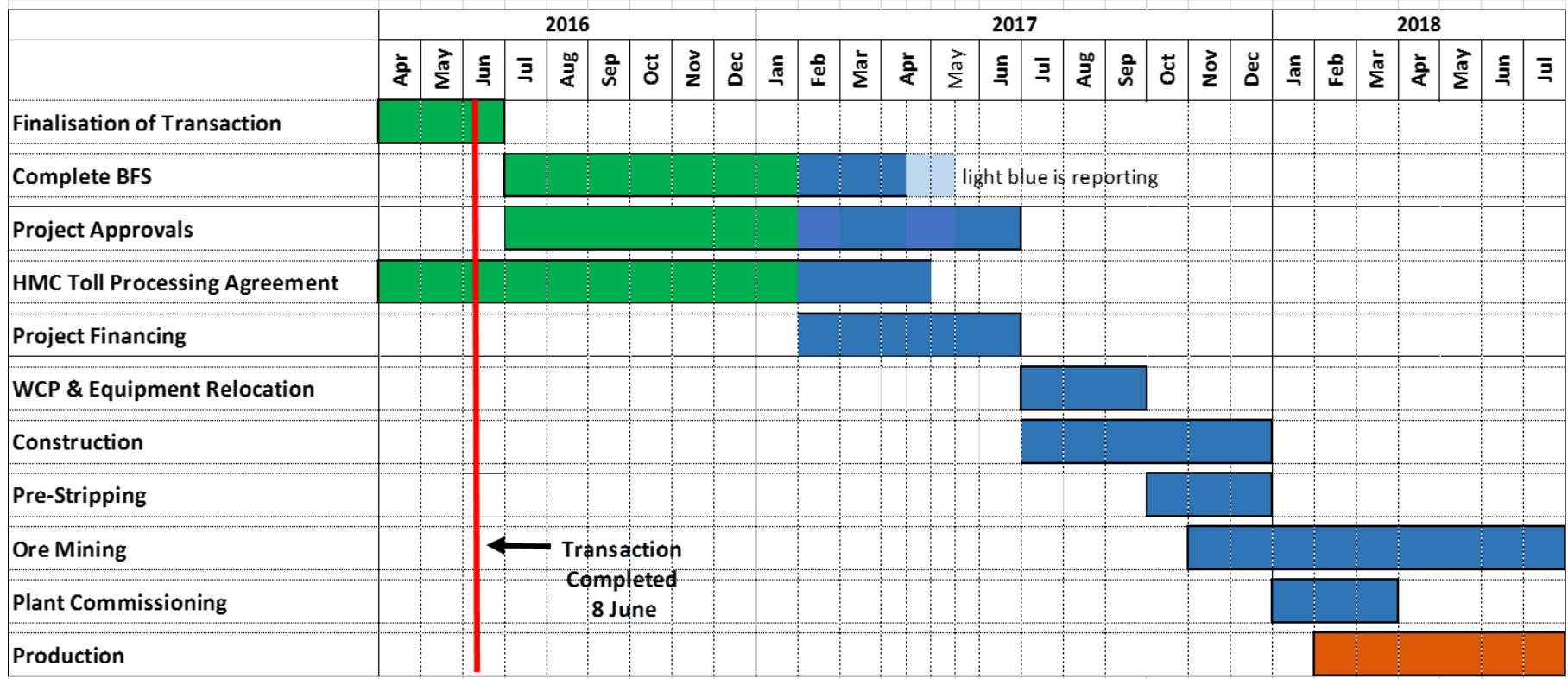
Targeting first production in early 2018*



* Conditional on feasibility results

Targeting first production in early 2018*

Simplified Boonanarring Project Development Schedule - (preliminary; high level)



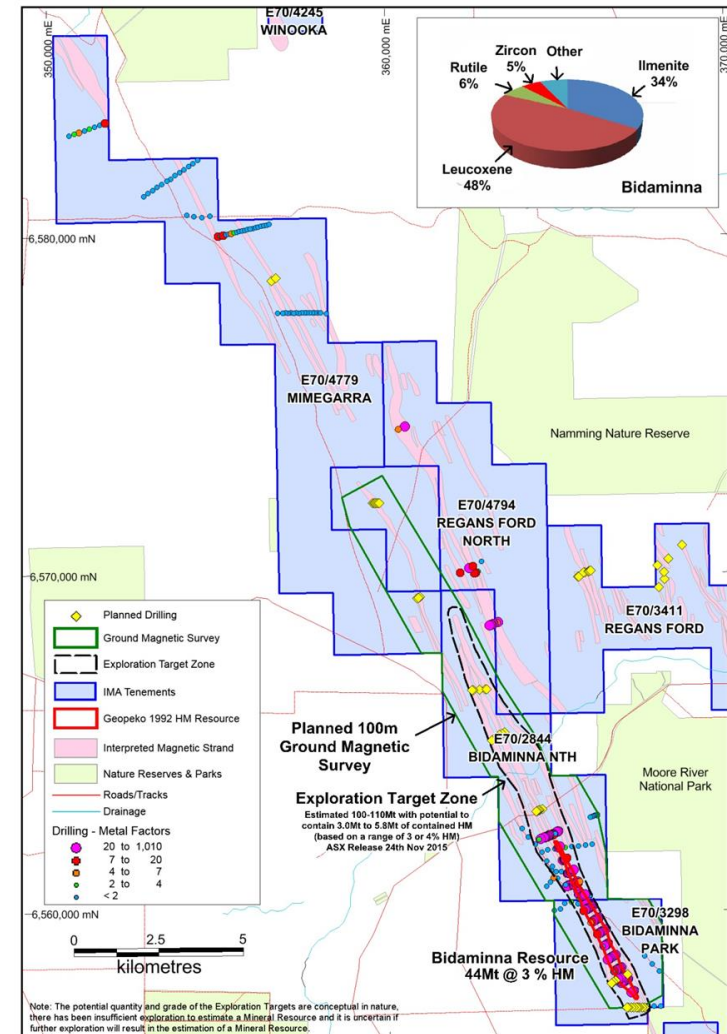
Updated: Feb 2017 by PRM

* Conditional on feasibility results

Bidamina Park (E70/3298), Bidamina North (E70/2844), Mimegarra (E70/4779)

- Potential high volume dredge mining target; **mineralisation 15-35 metres thick and located below water table; low slimes (3-4%); strip ratio <1 and coarse grain size (105 microns);**
- **Atypically high leucoxene grades ranging 27-65% of THM;** increasing to the north;
- higher in-situ value per tonne of ore compared to typical ilmenite-rich assemblage;
- **Historic Mineral Resources** 5.5km in length; **44Mt at 3% THM**
- **Exploration Target** to the north could add another **100-110Mt at 3-4% THM;** potential to contain 3-4Mt of HM;
- A further 14km of potential mineralisation extends to the north identified by preliminary magnetic surveys.
- Detailed ground magnetics surveys currently underway to determine further extents of mineralisation in advance of likely follow-on drilling programme.

Note: The potential quantity and grade of the Exploration Targets are conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

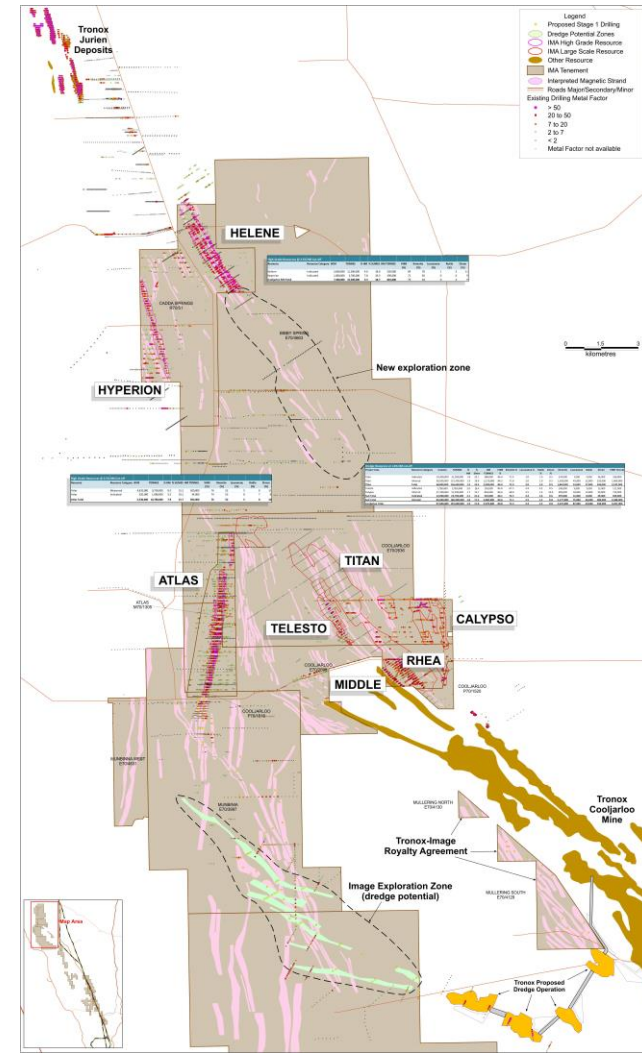


Potential near term royalty cash flows from Mullering

Royalty deal and extension potential

- A\$50,000 cash payment has been received;
- Sliding-scale royalty:
 - at 2.5% average grade the royalty will be 1.25%
 - at 3.0% average grade the royalty will be 2.50%
 - at 3.5% average grade the royalty will be 3.75%
 - at 4.0% average grade the royalty will be 5.00%

Arrangement is first of possible future deals with Tronox or others based on extensive dredge potential zone within Image's tenements in the vicinity of Tronox's dredge operations.



Diverse and experienced Board and Management

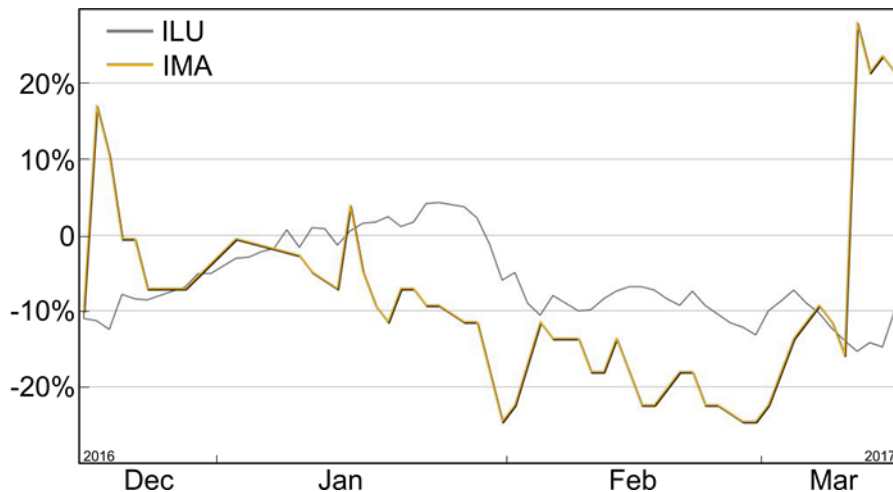
Share Code:	IMA
Share Price:	A\$0.06*
12 Month Price Range:	A\$0.04 – 0.11
Shares on Issue:	537.6m
Market Cap:	A\$32m*
Cash on hand:	A\$6.1m**
Debt (short-term):	A\$4.0m
Top 20 Shareholders:	68%

Board of Directors

Bob Besley – Independent Chairman
Patrick Mutz – Managing Director
Chaodian Chen - Non-Executive Director
Aaron Chong Veoy Soo – Non-Executive Dir
George Sakalidis – Executive Director
Peter Thomas – Non-Executive Director
Fei (Eddy) Wu – Non-Executive Director

Key Management

Patrick Mutz – CEO
George Sakalidis – Exploration Director
John McEvoy – Chief Financial Officer
Todd Colton – General Manager – Dev.



* - as at 14 March 2017

** - as at 28 February 2017

COMPETENT PERSON'S STATEMENT – EXPLORATION RESULTS, MINERAL RESOURCES AND ORE RESERVES

Information in this report that relates to Exploration Results, Mineral Resources is based on information compiled by George Sakalidis BSc (Hons) who is a member of the Australasian Institute of Mining and Metallurgy. At the time that the Exploration Results, Mineral Resources and Mineral Reserves were compiled, George Sakalidis was a director of Image Resources NL. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. George Sakalidis consents to the inclusion of this information in the form and context in which it appears in this report.

The information in this report that relates to the estimation of Mineral Resources for the Boonanarring Project is based on information compiled by Mrs Christine Standing, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). Mrs Standing is a full-time employee of Optiro Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mrs Standing consents to the inclusion in this report of the matters based on her information in the form and context in which it appears.

For further information

31



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