

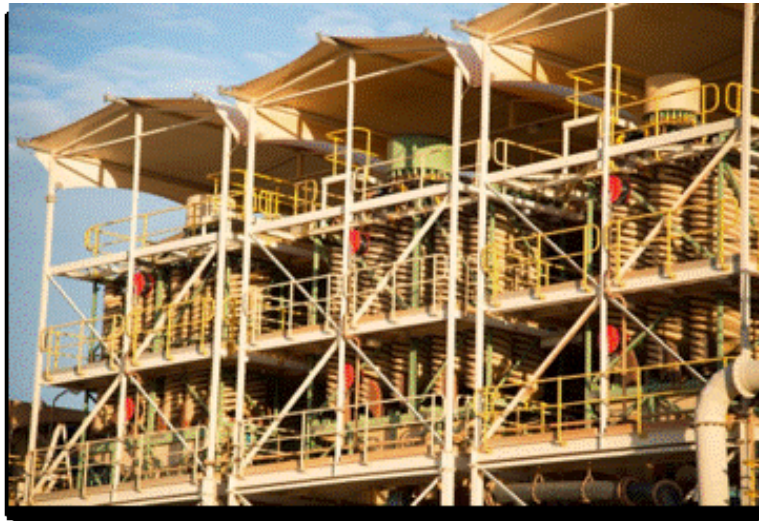
Boonanarring Mineral Sands Project: The next cab off the mineral sands rank?

RIU Sydney Resources Round-up

10-11 May 2017

Sofitel Sydney Wentworth

Sydney, NSW



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.**

CONVENTIONAL, CONVENTIONAL, CONVENTIONAL

Dry open cut mining

Coarse grained mineralisation

Standard suite of products



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

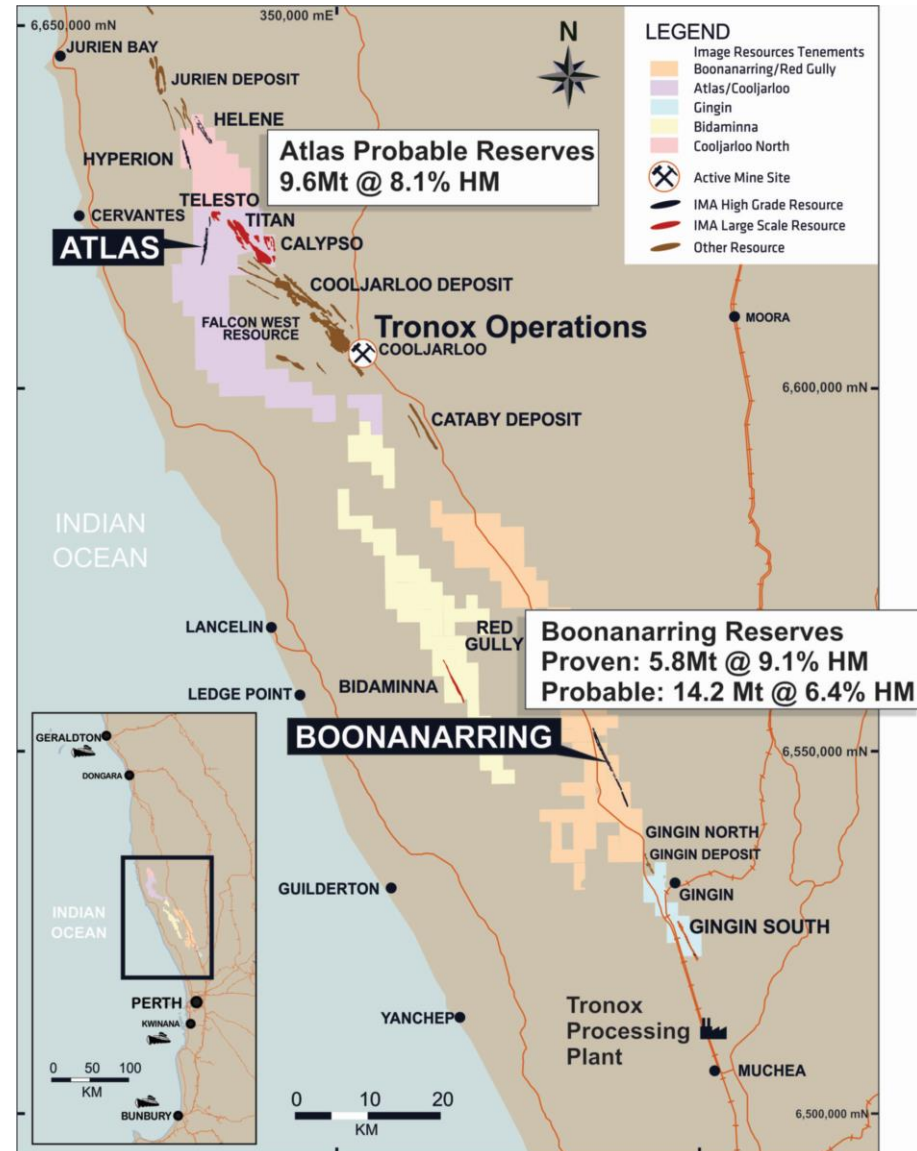
JORC Code (2012) Compliant

➤ Boonanarring Mineral Resources (measured/indicated/inferred)

- 43.7M tonnes at 5.6%THM
 - Up 103% from 2013 FS
- 18% zircon in THM
- 72% 'Valuable' HM in THM

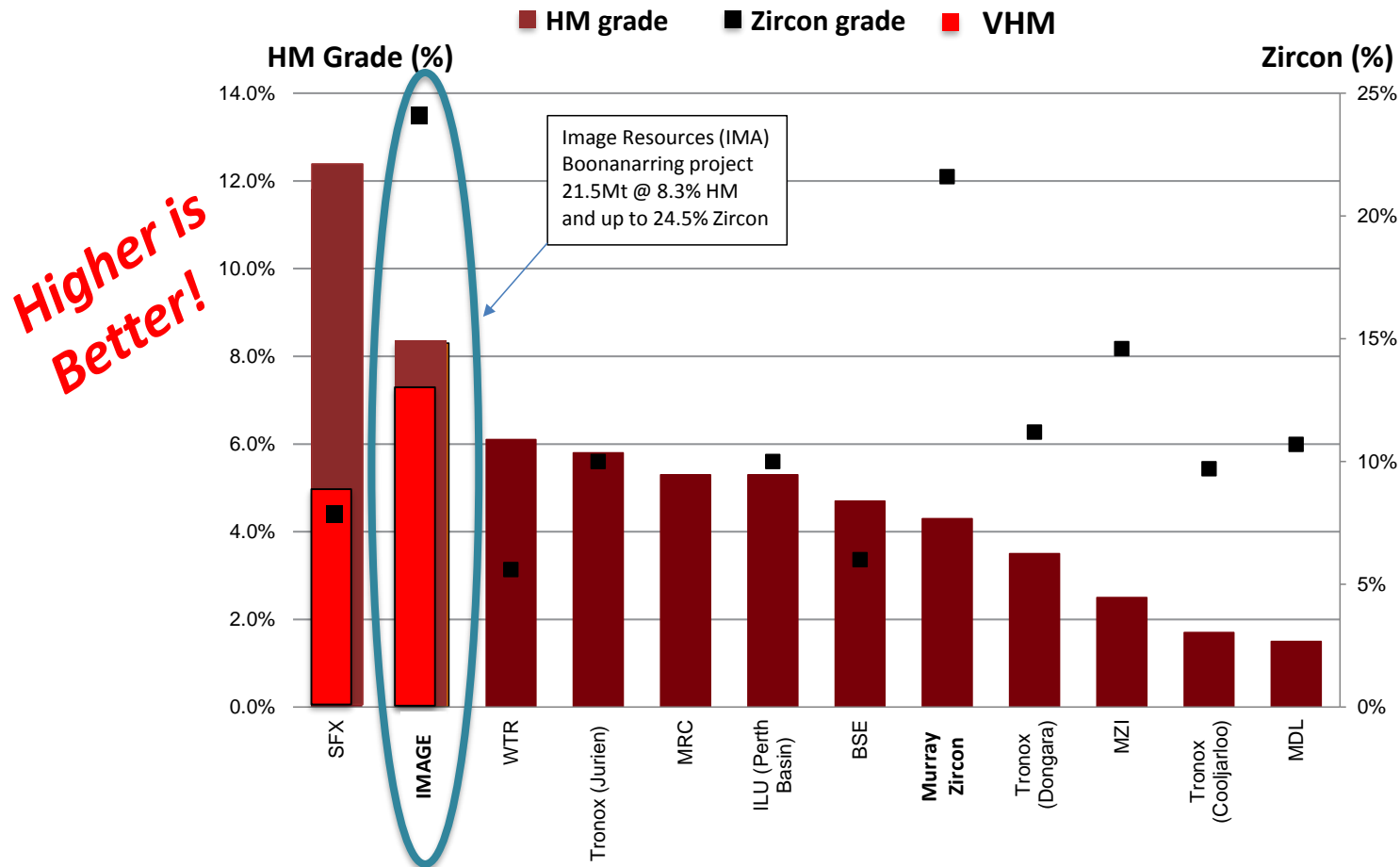
➤ Boonanarring Ore Reserves (proven and probable)

- 20M tonnes at 7.2% THM
 - Up 39% from 2013 FS
- 22% zircon in THM
- 77% 'Valuable' HM in THM



Boonanarring Project Comparison

High HM and Zircon grades relative to peers

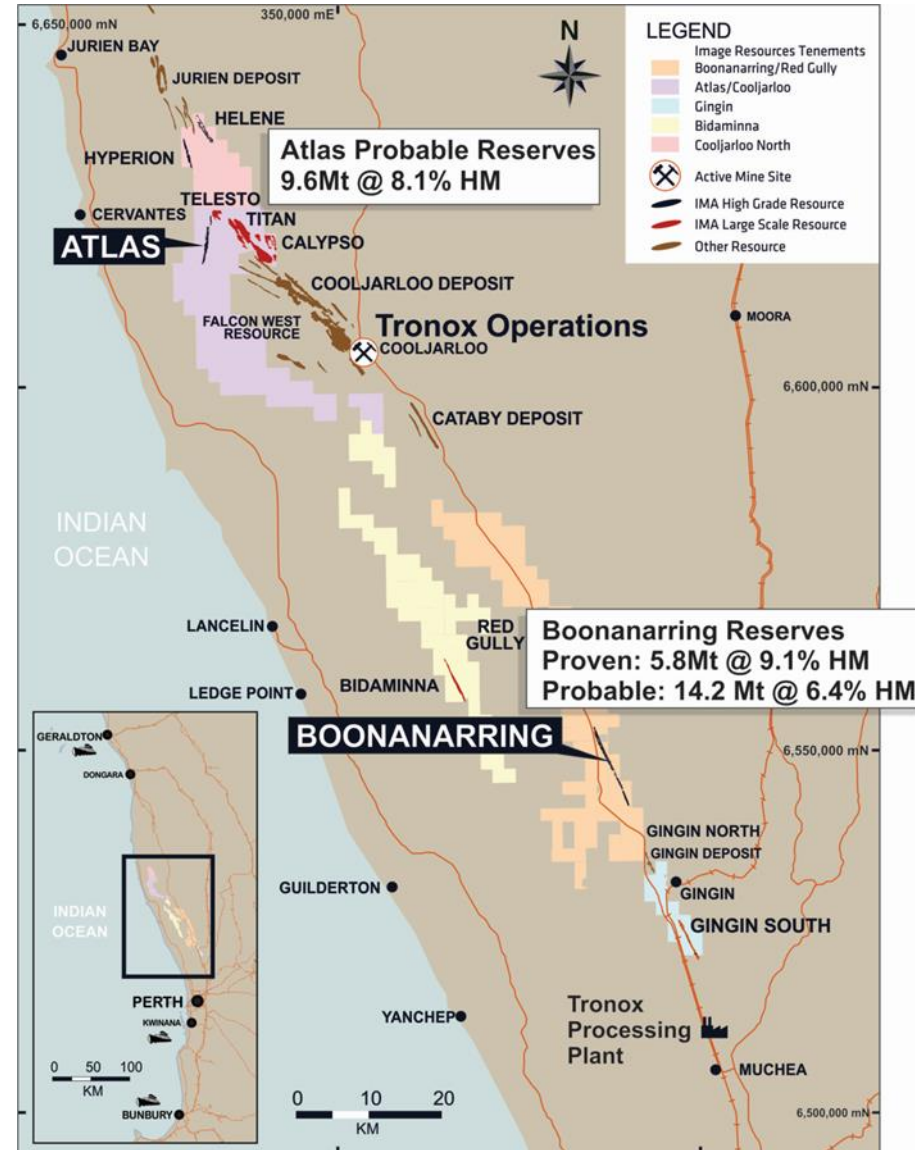


Source: Released on 4th May 2015 – Morgan's Research Note

High HM, VHM and very high zircon grade at Boonanarring

JORC 2012 RESERVE SUMMARY											
Reserve	Category	Volume	Tonnes	% HM	% SLIMES	HM Tonnes	VHM (%)	Ilmenite (%)	Leucoxene (%)	Rutile (%)	Zircon (%)
Boonanarring ¹	Proved	3,125,000	5,829,000	9.1%	14.2%	527,000	74.2%	48.5%	1.9%	2.2%	21.6%
Boonanarring ¹	Probable	7,460,000	14,155,000	6.4%	17.4%	905,000	79.3%	52.2%	1.7%	2.6%	22.8%
Totals		10,585,000	19,984,000	7.2%	16.5%	1,432,000	77.4%	50.8%	1.8%	2.4%	22.4%
Previously reported JORC 2004 RESERVE SUMMARY						Atlas Reserves as at 30/06/2013					
Reserve	Category	Volume	Tonnes	% HM	% SLIMES	HM Tonnes	VHM (%)	Ilmenite (%)	Leucoxene (%)	Rutile (%)	Zircon (%)
Atlas	Probable	4,760,000	9,600,000	8.1%	15.5%	780,000	74.1%	55.0%	1.0%	7.0%	11.0%
Totals		4,760,000	9,600,000	8.1%	15.5%	780,000	74.1%	55.0%	1.0%	7.0%	11.0%

- ✓ LOCATION
- ✓ QUALITY RESOURCES/RESERVES
- ☐ UPSIDE POTENTIAL
 - 1000 km² with significant potential for extensions of known resources and discovery of new deposits



60km prospective target zone to extend mine life

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

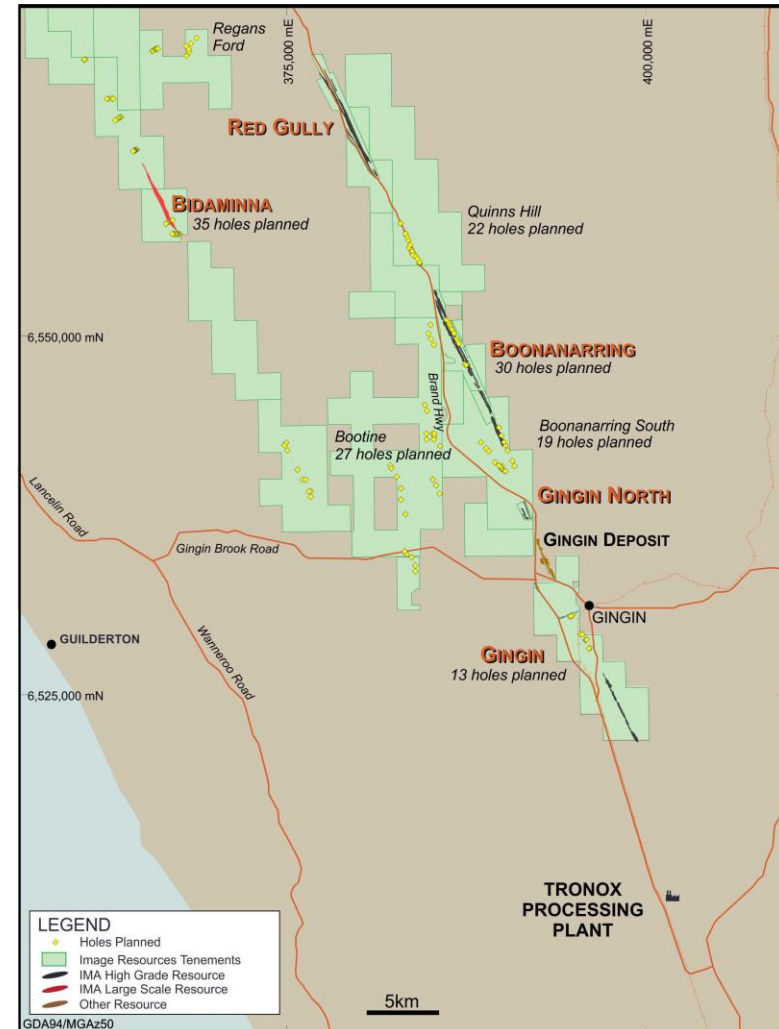
- Potential for 3.2km extension south of the Boonanarring deposit which is 13.2km long.

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.



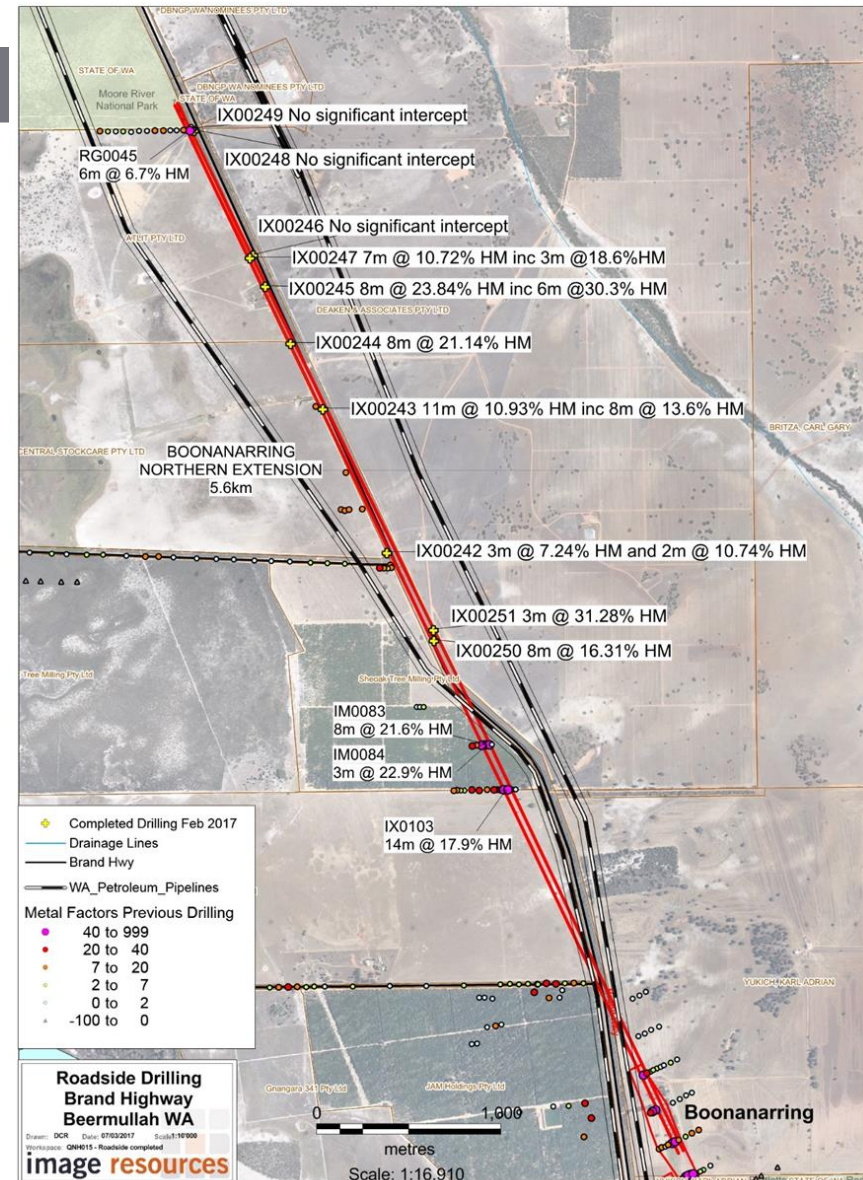
Note: The potential quantity and grade of the Exploration Targets are conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Boonanarring Deposit Extensions

ASX Announcement 13 March 2017

New Drilling Results (Feb 2017)

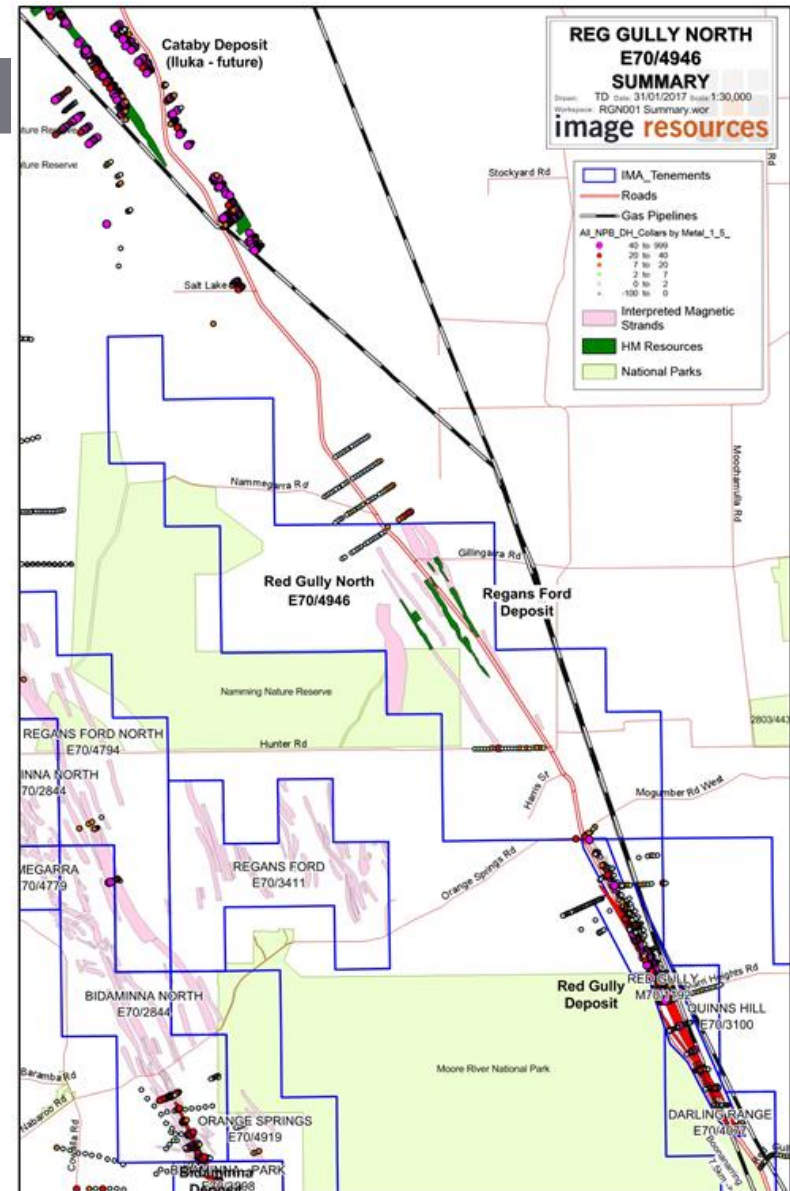
- Confirm 5.6km northern extension of Boonanarring mineralisation
- Outstanding high-grade intersections:
 - 8m @ 23.8% HM in IX00245
 - 8m @ 21.1% HM in IX00244 and
 - 8m @ 16.3% HM in IX00250



ASX Announcement 20 February 2017

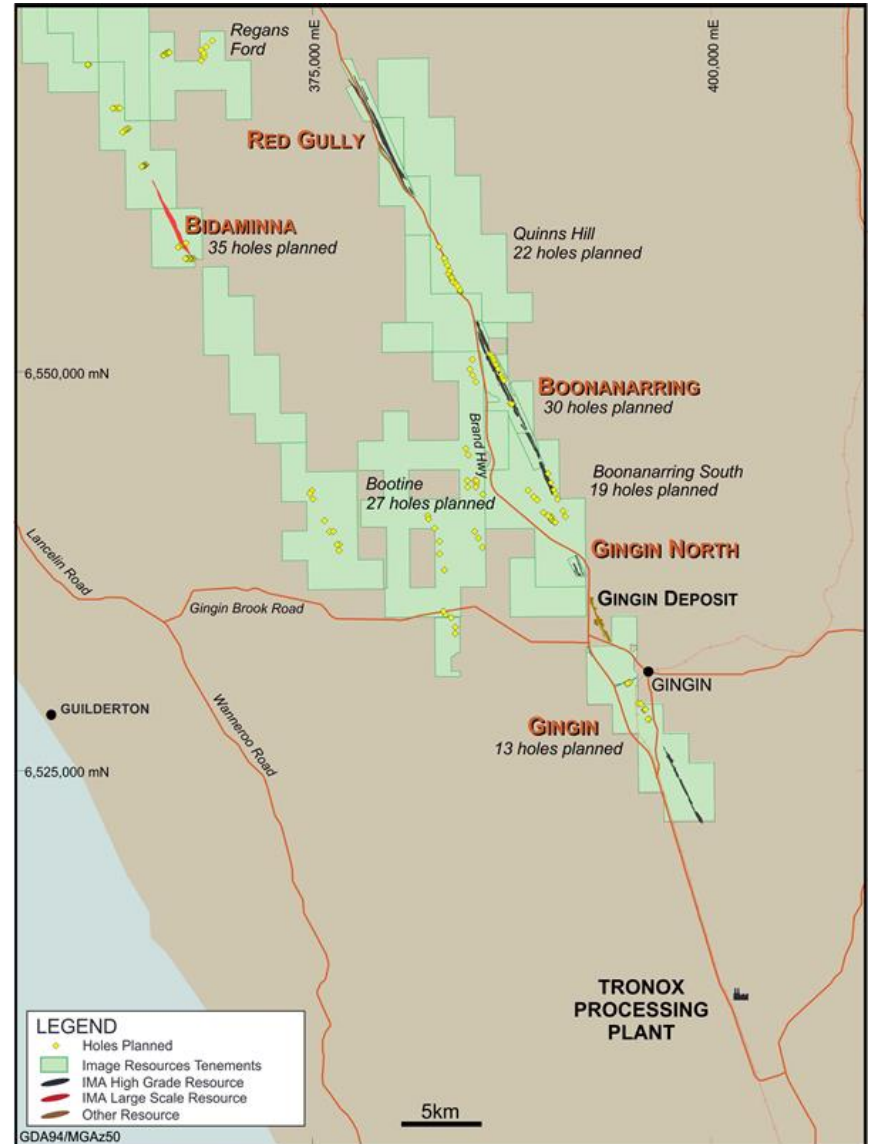
Application filed for New EL (ELA70/4946 - 83 sq. km)

- Area will include 100% of Regans 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



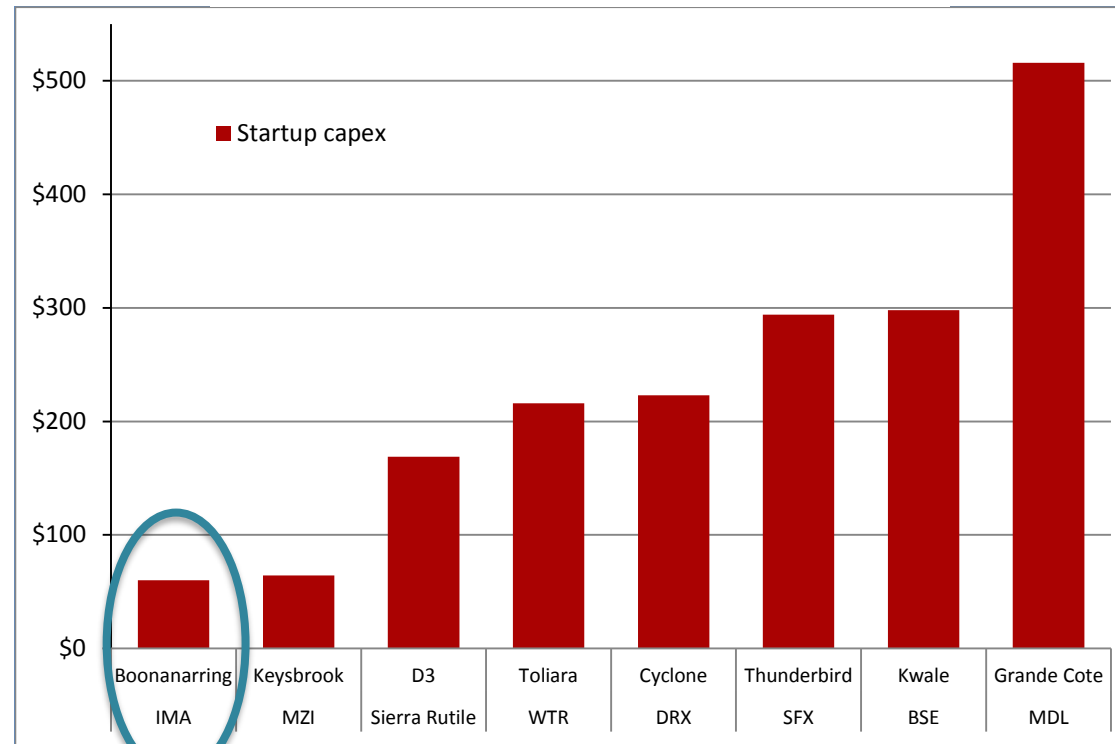
- LOCATION
- QUALITY RESOURCES/RESERVES
- UPSIDE POTENTIAL
- PROJECT APPROVALS

- 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)
- Mining Proposal (includes Mine Closure Plan)
- Works Approval (EPA) **80% Complete**
- Project Management Plan/Radiation Management Plan **50% Complete**

- LOCATION
- QUALITY RESOURCES & UPSIDE POTENTIAL
- PROJECT APPROVALS
- FEASIBILITY STUDY
 - Original FS announced 16 July 2013
 - \$145m NPV
 - \$64m capital
 - Currently in final stages of updating study to bankable standard

Lower is Better!

Project Capital Cost (A\$million)



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.

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
- 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
- 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

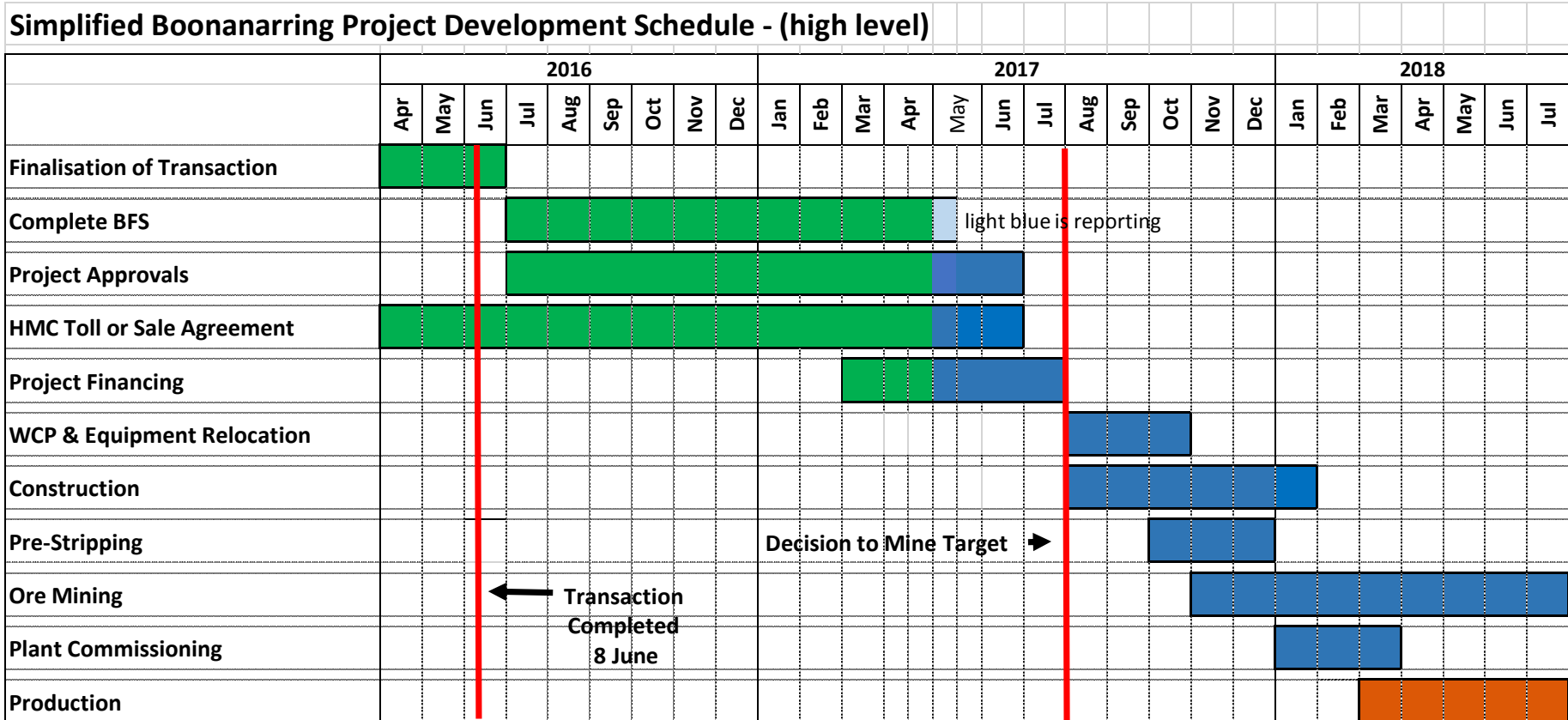


Mine Slurry Unit

Plus much, much more.

Development Schedule

Targeting first production in early 2018*

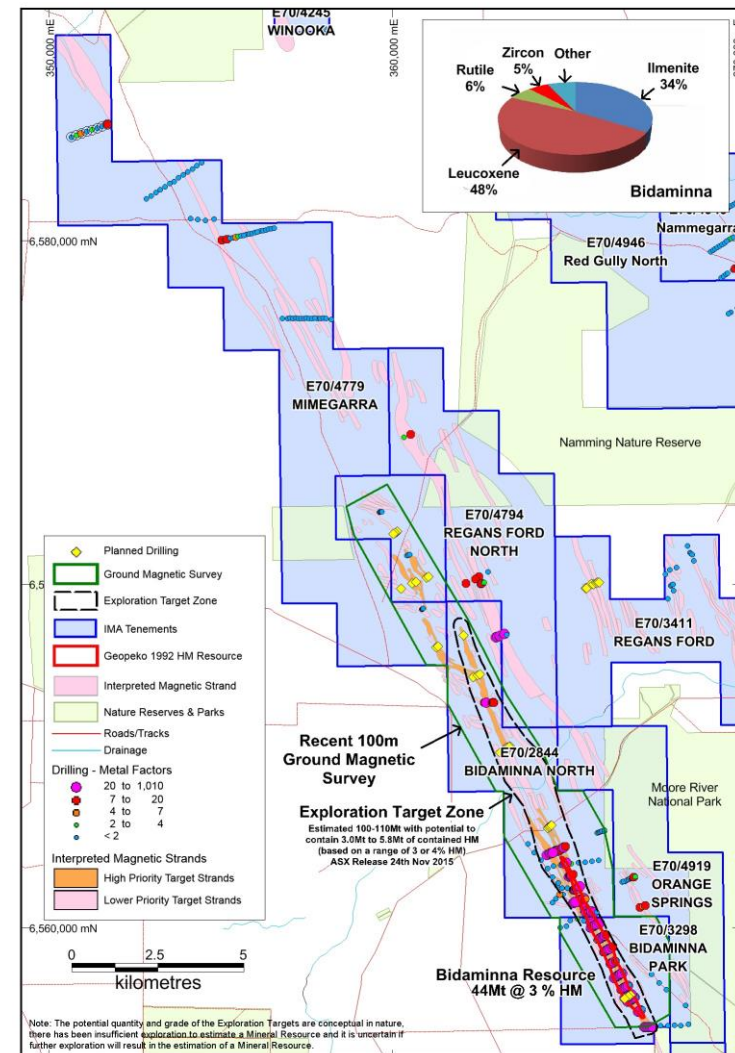


* Conditional on feasibility results

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

- Potential high-volume, low-cost dredge mining target
- **Mineralisation 15-35 metres thick and located below water table; low slimes (3-4%); strip ratio ~1; coarse grain size and very high VHM (90+%)**
- **Atypically high leucoxene grades ranging 27-65% of THM; increasing to the north**
- Potentially 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
- Follow-on drilling underway

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.

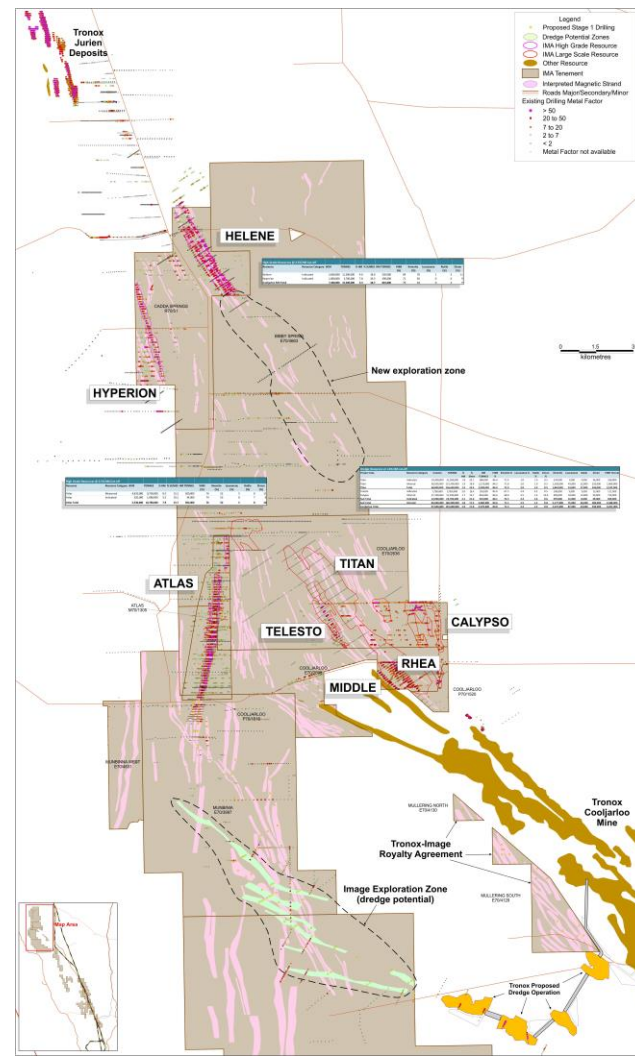


Potential near term royalty cash flows from Mullering

Royalty deal and extension potential

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

Potential for future deals with Tronox or others based on large area of potential dredge mining mineralisation within Image's tenements in the vicinity of Tronox's dredge operations.



Diverse and experienced Board and Management

Share Code:	IMA
Share Price:	A\$0.10*
12 Month Price Range:	A\$0.04 – 0.11
Shares on Issue:	537.6m
Market Cap:	A\$54m*
Cash on hand:	A\$5.5m**
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

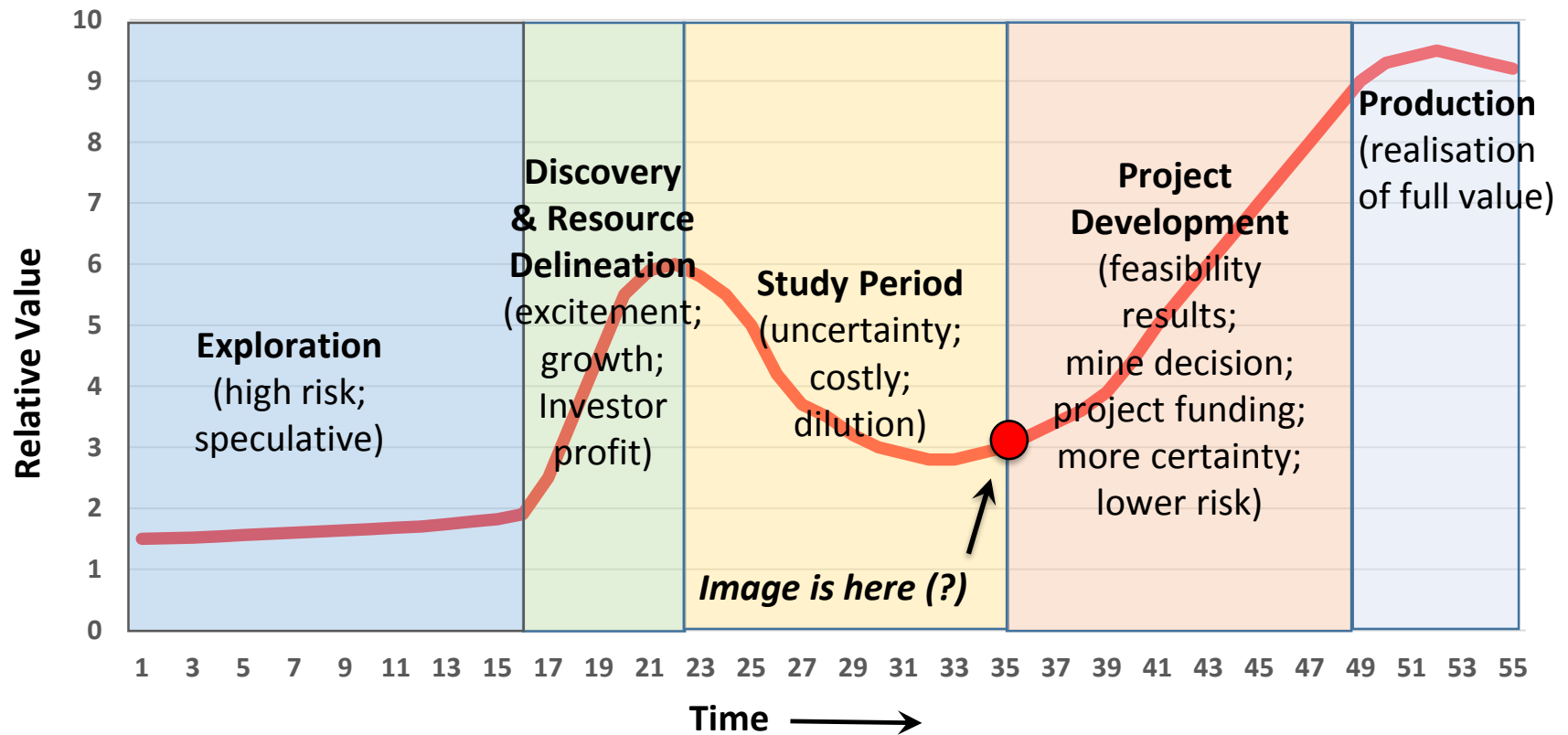
Patrick Mutz – CEO
George Sakalidis – Exploration Director
John McEvoy – Chief Financial Officer
Todd Colton – General Manager – Dev.



* - as at 3 May 2017

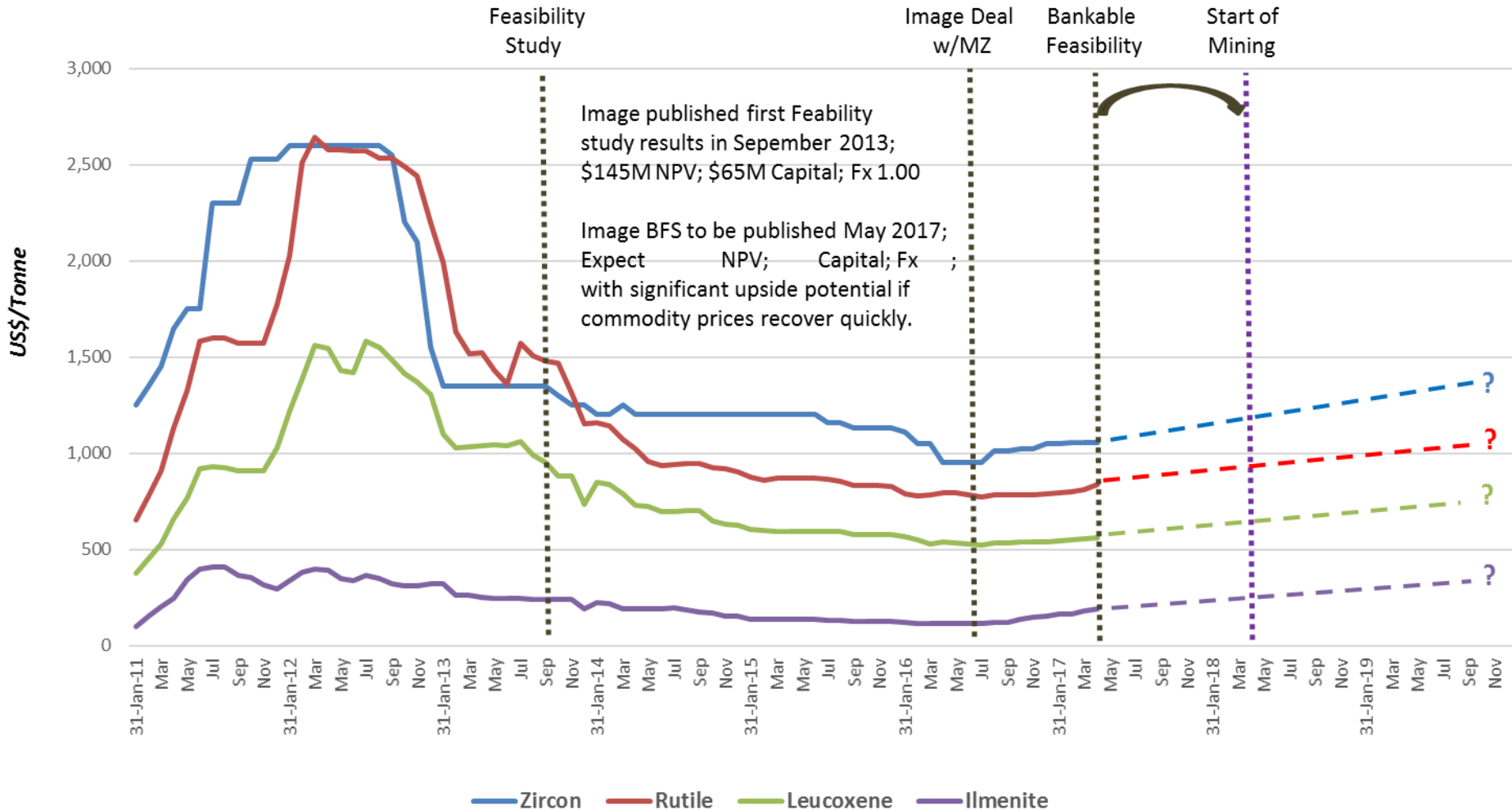
** - as at 31 March 2017

Generalisation of Transition from Explorer to Producer



Historic Commodity Pricing

Historic Mineral Sands Commodity Prices and Projections



For further information

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Patrick Mutz
Managing Director
Image Resources NL

info@imageres.com.au

Office: +61 8 9485 2410

Ground Floor, 23 Ventnor Avenue
West Perth, WA 6005
PO Box 469, West Perth, WA 6872

www.imageres.com.au

- **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