



February 2025

Letter from the MD

Welcome to our first shareholder update for 2025.

I'm pleased to report that construction at our high-grade Atlas mineral sands project, 170km north of Perth, is progressing rapidly and beginning to wind down. We anticipate project commissioning to begin towards the end of February with first heavy mineral concentrate (HMC) production by the end of March.

This progress brings us closer to unlocking Atlas's full potential – a testament to our team's dedication and commitment to delivering value. Our team is committed to ensuring that Atlas not only generates strong financial returns but also aligns with our sustainability goals. We will continue providing regular updates on key developments at Atlas as we advance towards first production and ramp up to full name-plate capacity.

Whilst Atlas has been largely self-funded using cash reserves from the Boonanarring project, we have initiated drawdown of funds from the US\$20 million HMC Prepayment Facility arranged with our longstanding offtake partner Natfort to provide working capital funding through to first revenue, which we forecast to occur in Q2 of CY2025.

Atlas has been our main priority over the past 12 months; however, we have also continued to advance feasibility studies on our Yandanooka Mineral Sands Project, located 300km north of Perth in the historic Eneabba mining district. A positive Pre-Feasibility Study (PFS) on Yandanooka was released in April 2024 and a Bankable Feasibility Study (BFS) is underway, with results expected to be released in Q3 CY2025.

As previously announced, we temporarily suspended feasibility study work on our Bidaminna project as a cash conservation measure to ensure the successful development of Atlas. We anticipate recommencing work on a BFS in H2 CY2025.

Our operating strategy up until this point has focused on operating one mine at one time, and delivering a simple HMC product to our key offtake partners in China.

Our growth ambitions include developing and operating multiple mining projects operating simultaneously, separating our HMC into multiple products and expanding our critical minerals marketing reach globally.

We also continue to investigate the potential of converting ilmenite into synthetic rutile (SR) using a novel SR production process that is more environmentally friendly than current commercially used technology. We believe the demonstration of this novel processing technology, which is covered by a provisional patent, has the potential to attract grant funding and we are actively seeking such support.



Investor webinar

On 12 February 2025, we recorded our latest investor webinar through Spoke, providing a review of construction progress at Atlas and future development plans that underscore our commitment to delivering growth, sustainability and enhanced value for our shareholders and stakeholders.

This webinar provided the opportunity to engage directly with shareholders and potential investors. For those unable to attend, a recording of the webinar is available on our website at www.imageres.com.au. I encourage you to view it to gain further insights into our business strategy and key priorities for 2025.

Looking ahead

As we look forward to 2025 and beyond, we remain focused on executing our strategic initiatives, returning to active mining and processing, delivering strong operational and financial performance, and exploring growth opportunities.

Positive demand trends for mineral sands commodities continue to support our strategy and reinforce our confidence in development of our current and future projects.

Thank you for your continued support, trust and confidence. We look forward to the journey ahead and remain committed to maintaining transparency with our valued shareholders.

Patrick Mutz

Managing Director and CEO