

28 November 2023

Receipt of Funds for Final HMC Shipment from Boonanarring

Image Resources NL (ASX: IMA) (“**Image**” or the “**Company**”) advises it has received funds from the sale of the final bulk shipment of heavy mineral concentrate (“**HMC**”) from its Boonanarring mineral sands project located in Western Australia. Mining and processing at Boonanarring were completed in August 2023.

Loading of the final shipment of approximately 27,700 wet metric tonnes of HMC was completed on 19 November 2023, with funds of approximately A\$22 million received on 28 November, increasing the Company’s current cash balance to approximately A\$50 million.

Managing Director and CEO Mr Patrick Mutz commented:

“By every measure, the Boonanarring project, from construction and commissioning, through startup and operation to completion of the final HMC shipment, has been a success. Project construction was completed on time and on budget, followed by a very rare accomplishment of ramping up to nameplate capacity in only the second month of operation. Over the five-year mine life, the project produced 1.17 million tonnes of HMC and generated almost A\$800 million in gross revenues. Project debt was repaid early, and Image paid dividends to shareholders in 2021 and again in 2022. Cash from the project was also used to substantially expand Image’s mineral sands project portfolio with the acquisitions of the Eneabba Tenements and McCalls Project in 2022.

Credit for the overall successes at Boonanarring is attributed to the many organisations and individuals involved with the construction and operation of the project, including our employees, consultants, and contractors. On behalf of the Board of Directors and management, I want to thank everyone involved with Boonanarring for their dedicated efforts and support. I also want to take this opportunity to thank our project partners, including ProjX, Piacentini & Son, Qube Bulk, Braemar, WA Mercantile Services and many others for their positive support through the life of Boonanarring.”

Ongoing Activities

The Company is fully prepared, including funding from cash reserves, to relocate mining and processing equipment to Atlas as soon as the permitting is finalised. Atlas is a high-grade mineral sands mine containing 5.5 million tonnes of Ore Reserves at 9.2% total heavy minerals (“**HM**”) and with 96% of contained HM in the Proved Ore Reserves category (see 21 December 2022 ASX announcement, “Revised Announcement – Atlas Project Ore Reserve Update” and Table 1 below). The mineral assemblage includes 11.9% zircon and 7.9% rutile in the HM and the mineralisation is shallow with a strip ratio of approximately 1:1. All HMC will be sold under the existing HMC offtake agreements used at Boonanarring, with letters of credit supporting each bulk shipment prior to loading.

Image is also actively engaged in feasibility studies for the following projects associated with the Company's Chapter 2 growth and sustainability strategy. Chapter 2 ambitions include operating multiple mines simultaneously, producing multiple products marketed globally, plus investigating value-adding through the conversion of ilmenite to synthetic rutile:

- Bidaminna: proposed standalone dredge mining project; pre-feasibility study complete; estimated 10-year mine life; definitive feasibility study underway.
- Yandanooka: proposed standalone dry mining project; pre-feasibility study underway.
- McCalls: proposed standalone hydraulic or dredge mining project; concept study underway.
- Mindarra Springs: proposed standalone hydraulic or dredge mining project; concept study underway.
- Mineral Separation Plant ("**MSP**"): proposed to be located at Boonanarring site to take advantage of existing capitalised infrastructure; pre-feasibility underway.
- Synthetic rutile ("**SR**") production facility: proposed to be co-located with MSP; testing and concept study underway. Provisional patent filed for novel SR production approach with lower CO₂ emissions.

This document is authorised for release to the market by the Managing Director.

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Table1: December 2022 Atlas Project Ore Reserve Summary¹⁻⁴

Classification	Ore Tonnes million	HM %	Slimes %	Oversize %	Mineral Assemblage (% of HM)				
					Zircon	Rutile	Leuc.	Ilmenite	Monazite
Proved	4.5	10.6	15	4.6	12	8	4.9	54	1.1
Probable	0.9	2.1	15	8.1	8.1	5.2	4.7	29	0.8
Total	5.5	9.2	15	5.2	11.9	7.9	4.9	53	1.1

Table 1 notes:

1. Estimates have been rounded to the nearest 100,000t of ore, 0.1% for HM/Oversize/Zircon/Rutile/Leucoxene/Monazite and 0% for Slimes/Ilmenite.
2. Ore Reserves are reported as material south of 6,619,850 mN, within pit designs but limited to below a top-of-ore surface generated from consideration of the optimisation value modelling and current geological domain interpretation.
3. All tonnages and grades have been rounded to reflect the relative uncertainty of the estimate, thus some of the columns may not be equal.
4. The Ore Reserves are based upon an FX rate US\$0.70:A\$1.00; and HMC product pricing is based upon a detailed pricing model contained within offtake agreements. These agreements are commercial-in-confidence.