

QUARTERLY ACTIVITIES REPORT – for quarter ended 31 December 2022

Image Resources NL
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Issued Capital

Shares – Quoted
 1,084,193,616
 Unlisted warrants
 11,351,099
 As at 31 December 2022

Board Members

Robert Besley*
 (Non-Executive Chair)
 Patrick Mutz
 (Managing Director)
 Chaodian Chen
 (Non-Executive Director)
 Aaron Chong Veoy Soo*
 (Non-Executive Director)
 Peter Thomas*
 (Non-Executive Director)
 Ran Xu
 (Non-Executive Director)
 Winston Lee
 (Non-Executive Director)

* - independent director

QUARTERLY HIGHLIGHTS

- Heavy mineral concentrate (“HMC”) production decreased 23% QoQ as a result of lower heavy mineral (“HM”) ore grades in Block D, partially offset by higher ore tonnes processed. Consequently, HMC production for the full financial reporting year (CY2022) was slightly below the lower end of guidance.
- HMC sales volume was down 2% QoQ with 3 shipments of nominally 15kt each as forecast. HMC sales volume was within the guidance range for CY2022.
- Average HMC realised pricing increased 7% QoQ from A\$874/t in Q3 to \$935/t in Q4 mainly due to higher average zircon content in HMC shipped and slightly lower (more favourable) AUD:USD Fx.
- Project Operating (Cash) Costs decreased 6% QoQ to \$26.8m, aided by lower HMC shipping costs. Project operating costs were within the guidance range for CY2022.
- C1 and AISC cash costs per tonne HMC produced increased 18% and 17% QoQ respectively due principally to lower HMC production (down 23% QoQ).
- C1 and AISC costs per tonne HMC sold were relatively stable QoQ as a result of relatively consistent QoQ HMC sales. C1 and AISC costs per tonne HMC sold were within the guidance range for CY2022.
- Guidance for 2023 (primarily completion of production at Boonanarring) is provided in Table 1 below and forecast for 2024 (Atlas) is provided later in this report.

Table 1: Quarterly Summary

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	QoQ % change	CY2022 Actual	CY2022 Guidance ³
Production							
HMC Production (kt)	44.0	46.7	47.8	38.8	-23%	177.2	180-200
HMC Sales (kt)	38.8	60.0	44.6	43.5	-2%	187.0	180-200
HMC Realised Price (A\$/t HMC)	961	909	874	935	7%	917	N/A
Project Operating Costs (A\$m)	27.6	25.4	28.6	26.8	-6%	108.4	100-110
Unit Costs (HMC produced)							
C1 Cash Costs (A\$/t HMC) ¹	499	595	529	649	18%	565	N/A
AISC (A\$/t HMC) ²	571	688	611	735	17%	648	N/A
Unit Costs (HMC sold)							
C1 Cash Costs (A\$/t HMC) ¹	565	463	567	578	2%	541	510-550
AISC (A\$/t HMC) ²	647	535	655	654	0%	621	590-630

Notes: 1 – C1 cash costs include mining (excluding rehab.), processing, general and admin and HMC transport costs.

2 – All-in sustaining costs (AISC) include C1 plus royalties, sustaining capital & corporate overheads

3 – Updated in September 2022 Quarterly Report

- Net mine operating cash inflow for Q4 2022, excluding rehabilitation costs, was \$13m (Q3 2022: \$13m) with Q4 net cash inflows in line with Q3.

ATLAS UPDATE

- On 21 December 2022 the Company released an Atlas Project Ore Reserve Update of 5.5Mt at 9.4% total HM, with average grades of 11.9% zircon, 7.9% rutile, 4.9% leucoxene and 53% ilmenite in total HM. Atlas development is expected to be funded from internal cash reserves.

	Subject to receipt of relevant approvals, mining at Atlas is scheduled to commence 2H 2023 followed by HMC production in Q4 2023. HMC sales are fully committed under existing HMC Offtake Agreements at market-based pricing.
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ACTIVITIES REPORT

High Level Summary

Image Resources NL (ASX: IMA) (“Image” or “the Company”) is pleased to provide a summary of the final quarter of its financial reporting year (CY2022), for operations at its 100%-owned, high-grade, zircon-rich Boonanarring mineral sands project, located 80km north of Perth in the North Perth Basin in WA. Heavy mineral concentrate (HMC) production was 23% lower QoQ due primarily to lower heavy mineral (HM) ore grade than forecast, from a shift in mining to Block D. Lower ore grade was partially offset by higher ore tonnes processed than forecast. HMC sales were in line with forecast (only 2% lower QoQ), while the average realised price per tonne of HMC sold was 7% higher QoQ due to higher zircon content and more favourable AUD:USD Fx; despite marginally lower underlying zircon and titanium market prices.

Total project operating (cash) costs decreased 6% QoQ due to payment of annual incentives in Q3 and lower shipping costs in Q4. Operating costs on a cost per tonne of HMC sold basis remained relatively constant QoQ increasing only 2%.

In Q3 2022, the Company announced the finalisation of an additional land access agreement that will facilitate the extension of mining and HMC production at Boonanarring into Q2 2023. Consequently, mining activities were adjusted to include accessing the extension area in Block D and indeed ore mining from this area commenced during the Quarter, resulting in lower overall HM ore grade than forecast.

In addition to efforts aimed at extending mining at Boonanarring, the Company has maintained its focus on project development efforts for Atlas, advancing a preliminary feasibility study* (“PFS”) for Bidaminna, and the development of a longer-term growth and sustainability strategy to incorporate future development of additional projects arising from the CY2022 strategic acquisitions of the Eneabba Tenements and McCalls Project.

* - formerly a feasibility study (“FS”) but adjusted to preliminary feasibility study due to stricter interpretation of JORC requirements for FS and requirement for closer-spaced geotechnical drilling

Growth and Sustainability Strategy

Despite delays in filling the desired roles for a growing development team and delays with development activities at Atlas and the PFS at Bidaminna (due largely to the challenges of a very tight labour market in the mining industry), steady progress has been made on the development of a longer-term growth strategy. This strategy reiterates the original plan outlined in the 2017 Bankable Feasibility Study (“BFS”) of completing mining at Boonanarring and then relocating mining and processing facilities to Atlas, and the potential development of a standalone dredge mining operation at Bidaminna, but has now been expanded to include studies aimed at demonstrating the viability of the following:

- Development of an initial dry mining and processing operations at 100%-owned Yandanooka project (or alternatively Durack and later others) in the Eneabba Tenements area, with potential for 10+ year mine-life;
- Development of hydraulic mining and processing operations at 100%-owned McCalls project with potential 50+ year mine-life;
- Construction of a Mineral Separation Plant (“MSP”) to capture the value-adding advantages of multiple products (including by-products such as monazite) and expanding the Company’s market reach geographically, as well as capitalising on the opportunity for effective post-mining use of the land and installed infrastructure at Boonanarring; and,
- Potential for the construction of a Synthetic Rutile (“SR”) production facility in the vicinity of the MSP, for the value-adding and market-expanding upgrading of ilmenite from Bidaminna and McCalls to ‘green’ SR by using hydrogen as the iron reductant.

Managing Director and CEO Patrick Mutz commented “I welcome the opportunity for Image to continue to be able to ‘work the plan’ set out in the Company’s 2017 BFS, which included profitable operations at Boonanarring, followed by a self-funded relocation of mining and processing facilities to Atlas, and continuing profitable operations at Atlas. However, it is even more exciting to now have a greatly expanded portfolio of projects with potential for multi-decade mine-life to underpin a new long-term strategy of growth and sustainability.

This new strategy is designed to see Image transition from a one-operation, one-product company, to multiple-operations with multiple products and an expanded customer base globally. I call it a transition to 'Chapter 2'. This growth strategy is only possible due to the strategic acquisitions completed in CY2022, which now provides Image the opportunity to expand its position in the mineral sands industry, to the benefit of all shareholders.

CY2023 will no doubt be another challenging year and will clearly be a year of transition. However, I remain confident in the plan we outlined in 2017 and that Atlas will not only be a profitable venture, but will serve as the bridge to our Chapter 2 aspirations. As we continue to expand our project development team and focus, which includes adopting a holistic approach to business operations under a formal ESG framework, I am confident that our Image Team will continue to meet the challenges of an ever-changing world and continue to deliver positive results that serve to grow the value of the Company."

Following completion of the strategic acquisitions of the Eneabba Tenements and the McCalls Project in 1H 2022, the Company commenced work on the assessment of the Mineral Resources acquired, as well as securing or transferring necessary access agreements for exploration. In addition, in Q4, work commenced on the preliminary assessment of Yandanooka and Durack projects as part of the Eneabba Tenements, for determination as to which project amongst the Eneabba Tenements may be most suitable for fast-track development. Similarly, in Q4, work commenced on the preliminary assessment of the McCalls project to outline plans for securing land access for further delineation drilling and bulk sample collection for the purposes of wet plant recovery, mineral separation testing and later SR testing.

Internal concept studies indicate the Eneabba Tenements provide the opportunity for 10-20 years of dry mining of very shallow mineralisation, utilising the same recovery techniques and some of the existing equipment as used at Boonanarring. On the other hand, concept studies for the McCalls Project indicate the potential for 50+ years of dry or hydraulic mining of thick and broad seams of shallow mineralisation containing high quality ilmenite, likely suitable as a long-term feedstock supply for chloride slag or SR production, and providing the opportunity for Image to consider becoming an SR producer using more environmentally friendly processing techniques than those used by existing producers, representing a potential long-term competitive advantage..

The acquisition of the Eneabba Tenements and McCalls Project served to substantially increase Image's 100%-owned projects for potential development and boosted the Company's total Mineral Resources 16-fold to more than 1.8 billion tonnes in the Measured and Indicated categories (see Mineral Resources and Ore Reserves Statement below).

Innovation

In CY2022, Image successfully partnered with Mineral Technologies ("**MT**") in a cost-sharing arrangement for the construction and operation of a demonstration-scale wet concentration plant ("**Demo Plant**") located at Boonanarring (Photo 1). The Demo Plant was designed to confirm that MT's innovative, smaller diameter CT1 heavy mineral separation spiral technology, could perform as well or better than industry standard spiral technology (as currently used at Boonanarring).

Construction and commissioning of the Demo Plant was completed in Q1 2022 and testing continued into Q4. Overall test results were deemed to be successful and demonstrated the CT1 spiral technology was very competitive in metallurgical performance, with the added benefits of a substantially smaller wet concentration plant ("**WCP**") footprint and could operate at much higher solids content in the feed slurry than standard spiral technology.

Following completion of the Demo Plant testing regime, including various structural and other improvements being implemented, tested and approved, Image committed to utilising the CT1 technology on a commercial scale at Atlas, in combination with standard spiral technology. Utilising CT1 technology at Atlas will preserve some of the existing WCP spirals and equipment operating at Boonanarring for potential use at one of Image's future development projects such as Yandanooka or Durack, thereby decreasing overall capital costs under the strategy of establishing a second project operating in parallel to operations at Atlas.

Photo 1: CT1 Demonstration Plant



Atlas Development

In Q4 2022 the Company announced an updated Ore Reserve at its 100%-owned Atlas project. The Ore Reserve is limited to the southern section of the overall Mineral Resources, due to potential heritage, native vegetation and flora issues in the north, and resulted in 5.5mt Ore Reserves at 9.2% total HM and with over 80% of the Ore Reserves (4.5mt) in the Proved Reserves category at 10.6% total HM (see Mineral Resources and Ore Reserves Statement below). Current plans are to complete construction and commence mining in 2H 2023 and with first HMC production in Q4 2023. Development and construction is expected to be funded from internal cash reserves with the Company maintaining its current debt-free position.

Atlas is currently progressing through the approval process, with the Environmental Review Document (“ERD”) submitted in December 2022 for public comment. The Environmental Protection Authority (“EPA”) is currently summarising submissions for Image to respond to. Environmental Management Plans are being prepared in parallel and will be adjusted as required based on submissions received to the ERD and conditions set out for final approval. Restricting the Atlas mining area to the southern section of the ore body, at least initially, has significantly reduced potential environmental impacts and is assisting with maintaining the overall approval process timeline. Current estimate for the grant of approvals for Atlas is mid-CY2023.

Bidamina Feasibility Study and Pre-Development

Heritage clearances for drilling at Bidamina were delayed in 2H 2021 and Q1 2022. Appropriate clearances were finally achieved late in Q1 2022 and drilling, for geotechnical information to support the ongoing PFS being conducted by IHC Mining (formerly known as IHC Robbins), was completed in Q2 2022. Drilling to upgrade the Mineral Resources was also completed in Q2. However, due to delays with sample analyses as a result of worker shortages at the commercial laboratories, the updated Mineral Resources estimate has been delayed into Q1 2023, and consequently the PFS results have been delayed into Q1 2023.

Mineral Sands Market

After a slight decline in Image’s benchmark market price for zircon in Q3 2022, the price stabilised at circa US\$2,255 per tonne throughout Q4. In total, the benchmark price for zircon rose 26% since the start of CY2022 and a total of 56% since the start of CY2021 (Figure 1). Image’s benchmark market price for ilmenite hit a peak of \$410 per tonne in Q3 2022 but has subsequently fallen to US\$360 per tonne at end of Q4 2022. Overall, the ilmenite price decreased 3% during CY2022, but increased 55%

since the start of CY2021 (Figure 2). The benchmark price for rutile increased slightly during the quarter and has also risen approximately 55% since the start of CY2021.

Figure 1.

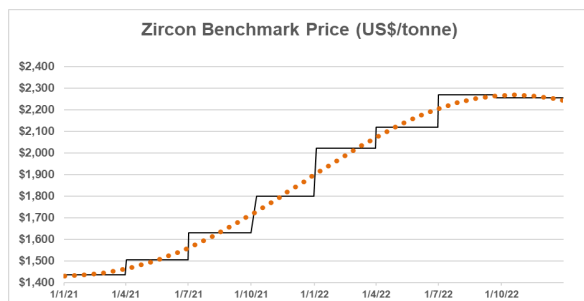
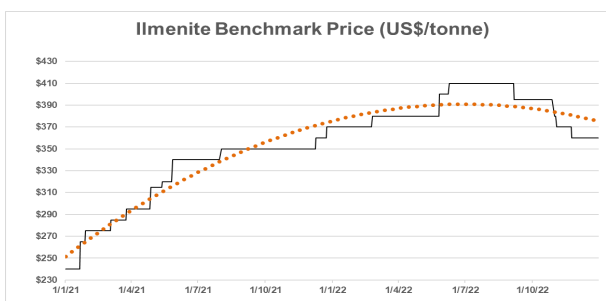


Figure 2.



The gap between zircon spot-market prices in China and Image's longer-term benchmark market prices for zircon, has now closed, with spot prices similar to longer-term benchmark pricing, indicating that for the time being at least, zircon prices have peaked. Additional supply from new projects expected to come on stream will likely result in some downward price pressure in 1H 2023, although it is noted that new projects rarely ramp-up as quickly as expected, Boonanarring being an exception.

Green Credentials

As part of the Company's voluntary efforts to improve the environment in which we operate, a program of rehabilitation of local creeks in areas located east and north of the Boonanarring mine, but outside of the mining lease, was completed during the Quarter. As shown in the 'before' and 'after' photos below, an area of creek which has been used by previous landowners for many decades as a dumping area for farming related debris, has been rehabilitated. The debris were either recycled or appropriately disposed in licensed facilities and native vegetation was re-planted.

Photo 2: Local Creek – Before Clean-Up



Photo 3: Local Creek – After Clean-Up & Initial Replanting



Safety

There was one lost-time injury (“**LTI**”) recorded during the quarter. This ended a 32-month period since the last reported LTI in February 2020.

The Company remains vigilant with respect to COVID and influenza symptoms and maintains adherence to the modifications of its daily work practices and procedures to minimise potential impacts from COVID-19 to its employees and other stakeholders.

Image is committed to the promotion of a positive health, safety and environmental protection culture, including safety programs and procedures that encourage job safety analysis and planning as well as active incident reporting for the purpose of continual improvement of the health, safety and well-being of all employees, contractors, visitors and members of the community.

Image uses a forward-looking metric of positive performance scoring (“**PPS**”) to gauge the effectiveness of the overall Health, Safety and Environment (“**HSE**”) program. PPS scoring is based on the total number of workplace audits conducted monthly across all areas of the project and scoring has been consistently positive. In addition, the Company tracks and reports total recordable incident frequency rate (“**TRIFR**”), which is the number of recordable incidents per million hours of work. The 12-month rolling average TRIFR at the end of December 2022 was 4.6 (down from 4.7 at 30 September 2022).

Community

Image continues to proudly contribute to the local communities in which it operates, including through local employment and support for local community events. At 31 December, 51% of Image’s workforce at Boonanarring lived locally to the site or within regional shires. The Company has an active and varied community support program, details of which can be found in the Company’s presentation materials. Notable programs occurring or ongoing during this reporting period include the following:

- Leasing of Image’s unused land to the Gingin Recreation Group with profits collected by the group donated back to a variety of local Shire community programs. During Q4 2022, as a result of this programme, the company was listed as a finalist in the AMEC Community Contribution Award;
- Providing materials to local landowners to assist in demonstration testing to assess carbon sequestration enhancement in local soils;
- Major sponsor of Happiness Co Foundation in support of mental health within the Image workforce and in local communities and regional areas;

- Support of various Gingin and Cervantes community groups and local area programmes through in-kind contributions and Social Investment funding;
- Conditional support for investigations of construction of a green hydrogen production and dispensing facility at Boonanarring as a post-mining activity for beneficial use of the land and established infrastructure; and,
- Investigation additional uses for Image landholdings for the potential generation of other renewable energy generation sources, such as the use of wind turbines or small-scale pumped hydro.

Mining and Processing

Mining operations were conducted mainly within Block D (Photo 4) during the quarter, with material being returned to Blocks A and B as part mine closure and the post mining rehabilitation of these mined-out blocks. Ore processed was mainly from Block D south. Boonanarring total mining volumes (primarily overburden removal) are forecast to reduce significantly from December 2022 onwards with the majority of the pre-stripping in Blocks C and D having been completed in Q4 2022. Mining is expected to move to day shift only from early 2023, with any additional fleet capacity being applied to returning waste material to voids (i.e.: mine rehabilitation).

Photo 4: Mining Activity - Block D at Boonanarring (looking south)



In Q4 there was an increase in overall non-valuable heavy minerals (up ~7%) in the ore feed coming from Pit D compared to the average for the previous quarters; and therefore, increased rejection of non-valuable HM to tails. This resulted in a 9% lower overall HM recovery QoQ. Ore processing for the quarter was 906kt (up 11% QoQ) partially offsetting lower HM grade of the ore which was down 18% QoQ at 5.3% HM, and with lower average ZrO₂ grade of 10.9% (down 20% QoQ) within the HM. As a result, HMC production at Boonanarring was 23% lower QoQ to 38.8K at a ZrO₂ grade of 10.9% (down 20% QoQ).

Table 2: Mining & Production Statistics

		Q1 2022	Q2 2022	Q3 2022	Q4 2022	QoQ % change	CY2022
Mining							
Ore	kt	1,027	737	802	906	11%	3,472
Waste	kt	4,957	4,583	3,691	4,494	18%	17,724
Processing							
Ore Processed	kt	868	846	836	879	5%	3,429
HM Grade (in Ore)	HM%	5.6%	6.2%	6.2%	5.3%	-18%	5.8%
ZrO ₂ Grade (in HM)	ZrO ₂ %	17.0%	13.2%	13.2%	10.9%	-20%	13.6%
TiO ₂ Grade (in HM)	TiO ₂ %	35.1%	36.4%	37.7%	35.6%	-6%	36.2%
Recovery	HM%	84.3%	81.2%	84.7%	77.7%	-9%	82.1%

	ZrO2%	97.9%	98.2%	98.6%	97.5%	-1%	98.1%
	TiO2%	90.2%	91.3%	91.9%	90.1%	-2%	90.9%
HMC Produced	kt	44.0	46.7	47.8	38.8	-23%	177.2
HM Grade (in HMC)	HM%	93.4%	92.9%	91.9%	93.2%	1%	92.8%
ZrO2 Grade (in HMC)	ZrO2%	18.5%	14.6%	14.2%	12.1%	-17%	14.9%
ZrO2 Grade (in HMC)	TiO2%	36.9%	37.3%	37.6%	37.4%	0%	37.3%

Figure 3: Quarterly ore processed (kt) and contained HM/ZrO2/TiO2 grades (%)

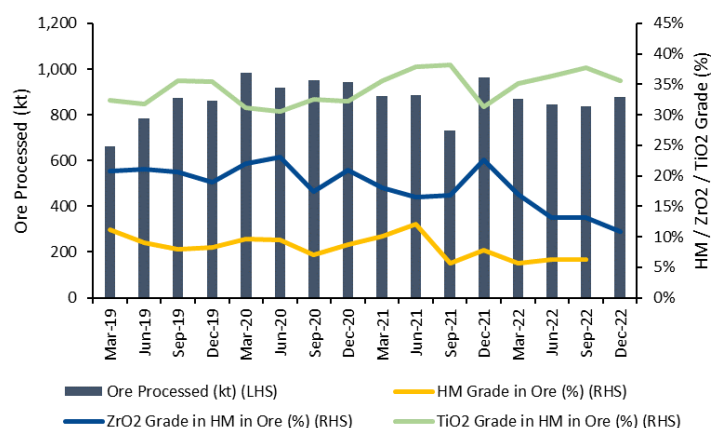


Figure 4: Quarterly HMC production (kt) and contained HM/ZrO2/TiO2 grades (%) in HMC

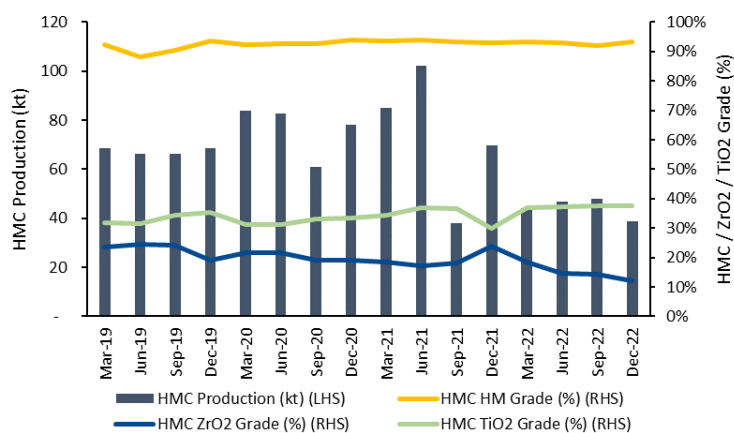
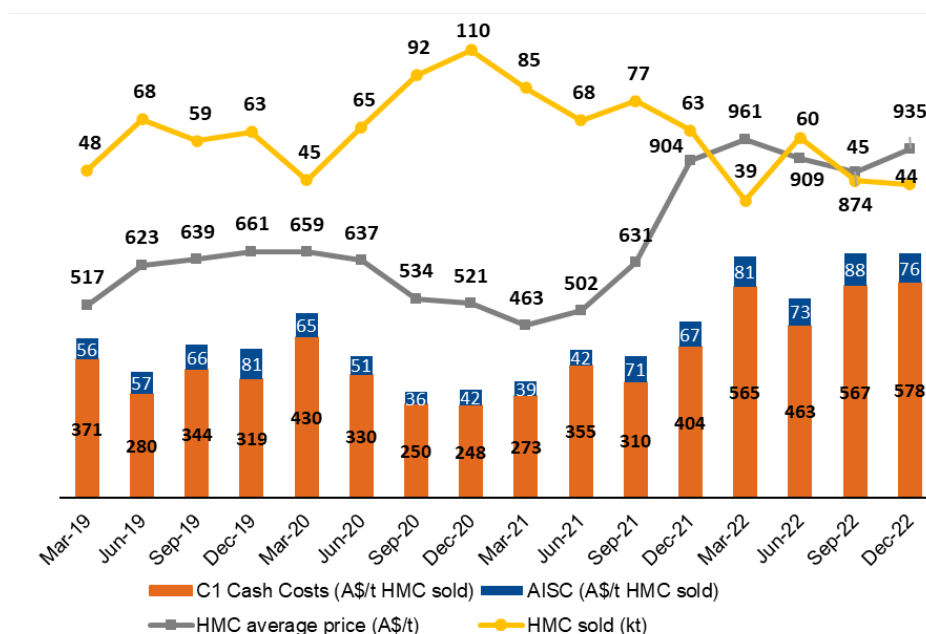


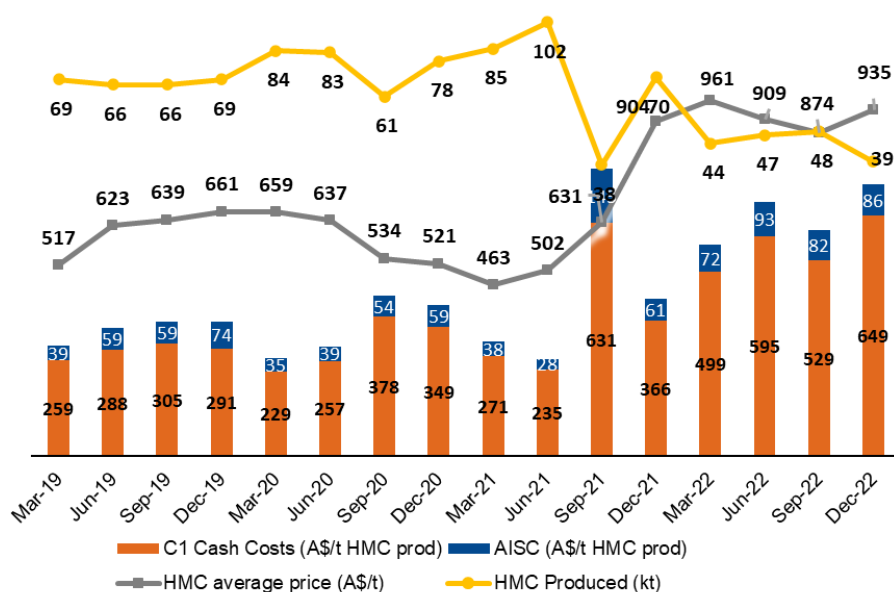
Figure 5: Quarterly HMC Production (kt) with Average Realised Prices & Costs per Tonne HMC Sold



Costs

C1 and AISC cash costs per tonne HMC sold remained relatively stable QoQ (C1 costs up 2% and AISC marginally lower) due to tonnes sold reducing marginally (Figure 5 and Table 3). C1 costs increased from \$567/t to A\$578/t HMC sold and AISC decreased slightly from \$535/t to \$534/t HMC sold, with similar dry tonnes sold in Q4 compared to Q3.

Figure 6: Quarterly HMC Production (kt) with Average Realised Prices & Costs per Tonne HMC Produced



C1 and AISC cash costs per tonne HMC produced (Figure 6 and Table 3) increased 18% and 17% respectively QoQ mainly due to lower tonnes produced in Q4 compared to Q3 (down 23% QoQ). C1 costs increased from \$529 to \$649/t HMC produced and AISC increased from \$611 to \$735/t HMC produced.

Total project cash operating costs were A\$26.8m for the quarter with total cash costs for CY2022 coming in at A\$108.4M. Whilst fuel costs, and as a result mining costs/BCM, continue to increase based on contractual 'rise & fall' determinations, shipping costs have reduced significantly from a high of US\$80-90/t in Q1 to an indicative US\$30-40/t currently. However, with port congestion at Berth 5 Bunbury due to a significant number of unforeseen incoming coal shipments, demurrage costs are likely to increase during the period to at least end of Q1 2023.

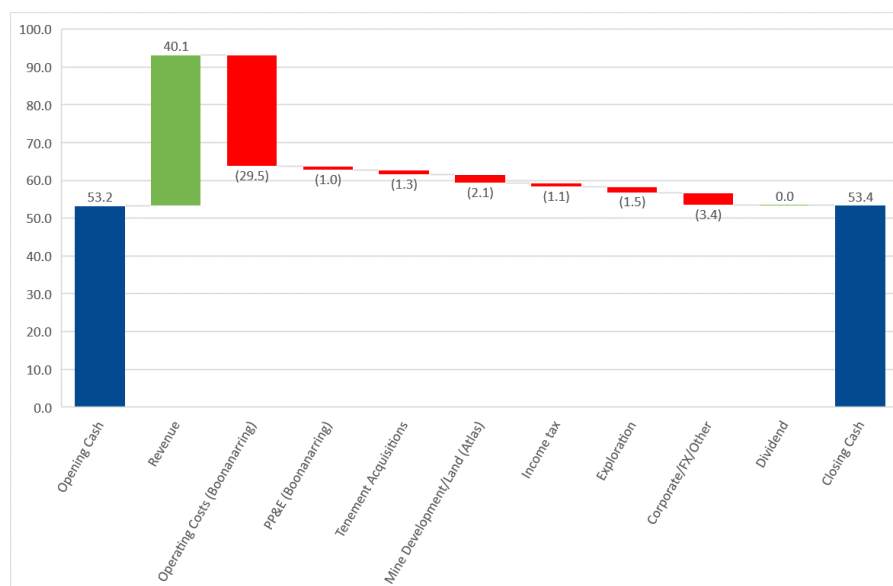
Table 3: C1 and AISC Costs per Tonne HMC Produced & Sold

		Q1 2022	Q2 2022	Q3 2022	Q4 2022	QoQ % change	CY2022
Costs/tonne HMC produced							
Mining	A\$/t HMC	299	292	274	397	31%	312
Pre-Strip	A\$/t HMC	0	0	0	0	0%	0
Processing	A\$/t HMC	89	89	95	103	8%	93
Site Support	A\$/t HMC	17	16	20	19	-6%	18
Logistics	A\$/t HMC	94	197	140	131	-7%	141
Total – C1 Cash Costs	A\$/t HMC	499	595	529	649	18%	565
Royalties	A\$/t HMC	40	52	36	49	25%	44
Sustaining Capital	A\$/t HMC	3	10	4	2	-130%	5
Corporate	A\$/t HMC	29	32	41	35	-18%	35
Total – AISC	A\$/t HMC	571	688	611	735	17%	648
Costs/tonne HMC sold							
C1 Cash Costs	A\$/t HMC	565	463	567	578	2%	541
AISC	A\$/t HMC	647	535	653	654	0%	621

Three shipments completed in Q4 CY2022 resulting in cash inflow from sales of \$40.1m and net operating cashflow, excluding rehabilitation costs, of \$13m (Q3 \$13m).

There were no other major cash outflows during the quarter with the annual dividend and tax payments having been completed in Q2.

Figure 7: Quarterly Cashflow Waterfall Chart



Total expenditures in Q4 include A\$29.5m (73.9%) on mining/production operations at Boonanarring (including logistics and rehabilitation); A\$1.0m (2.5%) on PP&E at Boonanarring; A\$2.1m (0.7%) on Atlas mine development; A\$1.3M on tenement acquisitions. A\$1.1m (2.8%) on income tax instalments; A\$1.5m (4.7%) on exploration and \$3.4m (8.5%) on corporate/interest costs plus FX movements.

Sales

HMC tonnes sold were down 2% QoQ to 43.5Kt with the shipping rate being maintained at approximately 15,000 wet metric tonnes per month, despite issues with port access due to coal imports (by others) causing capacity issues and increased wait times at Berth 5 in Bunbury.

Realised pricing of \$935/t HMC sold for Q4 2022 (Table 4) was up 7% QoQ from the average realised prices for Image HMC of \$874/t in Q3 2022, mainly due to higher average contained ZrO₂ in HMC shipped. Sales revenue for the December Quarter was up 4% QoQ to \$40.7m. Total finished HMC inventory, at Boonanarring plus at port storage, decreased marginally to approximately 34kt at the end of Q4 2022.

Table 4: HMC Sales and Stockpiles

		Q1 2022	Q2 2022	Q3 2022	Q4 2022	QoQ % change	CY2022
Sales							
HMC sold	kt	38.8	60.0	44.6	43.5	-2%	187.0
ZrO ₂ in HMC	%	22%	17%	14%	15%	6%	17%
TiO ₂ in HMC	%	31%	36%	36%	36%	1%	35%
Average price realised	A\$/t HMC	961	909	874	935	7%	917
HMC Revenue	A\$m	37.3	54.6	39.0	40.7	4%	171.6
Stockpiles (end of period)							
HMC for shipping	kt	51	37	40	34	-17%	34

Financial Summary

Revenue for Q4 CY2022 was \$40.7 million, up 4% from the previous quarter (Table 4) mainly due to an increase in average zircon grade in HMC sold. The Company generated \$13 million of net project operating cash flow for the quarter. Relatively high margins continued in to 2H 2022, after reporting A\$40.6m of EBITDA in 1H 2022, through a combination of relatively high ZrO₂ and TiO₂ prices and favourable FX rates.

However, after reporting NPAT of \$17.4M for 1H 2022, NPAT for 2H 2022 will be impacted by the recognition of significant increases in total rehabilitation provisions due to a combination of an increase in rates per BCM moved (inflation in diesel, parts and labour) and higher volumes expected to be on surface at completion of processing.

At 31 December 2022, Image had a healthy cash position of A\$53.5m despite significant cash outlays in Q2 for dividends (A\$12.8m cash component) and corporate income tax (\$11.2m).

CY 2023 Guidance and CY2024 Forecast

Mining Costs per tonne of HMC produced are expected to reduce at Boonanarring in 2023, despite increased rates per BCM, as the majority of pre-stripping (in Blocks C and D) was completed in 2022.

Mining and processing at Boonanarring are projected to conclude late Q2 2023, with the final Boonanarring HMC shipment expected in Q3 2023. Lower mining costs per tonne of HMC produced, due primarily to lower BCM of waste mined, are forecast to contribute to lower average C1 cash costs per tonne of HMC sold in CY2023 compared to CY2022.

Atlas development and construction is budgeted to commence in Q3 2023 with the first shipment expected in Q1 2024. The first full-year of operations at Atlas (CY2024) is forecast to produce 240-260Kt of HMC. A lower strip ratio at Atlas is expected to contribute to significantly lower average C1 Cash Costs of A\$300-340 per tonne of HMC produced, compared to Boonanarring.

Table 5: CY2023 Guidance¹ and CY2024 Forecast

		2022 Actuals	CY2023 Guidance	CY2024 Forecast (Atlas)
HMC Produced	kt	177.2	80-90	240-260
HMC Sold	kt	187.0	110-120	220-240
Project Operating Costs ²	A\$m	108.0	45-55	70-80
C1 Cash Costs (HMC Sold) ³	A\$/t HMC	541	460-500	300-340
AISC Cash Costs (HMC Sold)	A\$/t HMC	621	530-570	370-410

Notes:

1. To be read in conjunction with the Forward-Looking Statements disclaimer
2. Refer to The Company's ASX announcement dated 21 December 2022 for all material assumptions and further information on the Atlas project Ore Reserves, production targets and forecast financial information derived from production targets.
3. HMC produced in CY2023 is predominantly from Boonanarring
4. Project operating costs represent cash costs of production at Boonanarring and Atlas (pre stock adjustments and pre-audit)
5. C1 cash costs include mining, processing, general and admin and HMC transport costs
6. All-in-sustaining cash costs (AISC) include C1 plus royalties, sustaining capital and corporate overheads

Corporate

In Q4 2022, the Company announced details of an updated Ore Reserve estimate at Atlas focussing on the southern section of the deposit in order to significantly de-risk timing for approvals (refer to the Company's ASX announcement dated 21 December 2022).

The Company also provided an update on the Bidaminna PFS with results expected to be released during Q1 2023.

Corporate costs for Q3 included \$302,000 of related party transactions (all director salary or fee related).

In Q3 2022, the Company continued its engagement with BDO to develop a formal ESG approach and reporting framework with an inaugural Sustainability Report anticipated in Q1 2023.

The Company also continues its engagement with BDO Advisory for the development of an updated incentive plan for senior executives that more closely aligns long-term incentives with shareholder returns, with a new program to be presented for shareholder approval at next annual general meeting of shareholders.

Development and Exploration

Atlas Project, including nearby Hyperion and Helene

The Atlas Project is 100%-owned and was included as part of Image's BFS published in 2017, and was contemplated to be mined after all available Ore Reserves at Boonanarring are mined out. Atlas is currently undergoing detailed project development planning, heritage clearances and environmental permitting.

Atlas is located approximately 160km north of Perth (80km north of Boonanarring) and has Ore Reserves of 5.5Mt at 9.2% HM (see Table 11 and refer ASX announcement 21 December 2022).

Highlights of the updated Ore Reserve estimate announced in December 2022 are as follows:

- 5.5 million tonnes of Ore Reserves at 9.2% total HM
- 4.5 million tonnes (81%) classified as Proved Reserve at 10.6% total HM
- 481 kt (96%) of contained HM is in the Proved category
- 11.9% zircon, 7.9% rutile, 4.9% leucoxene, 53% Ilmenite and 1.1% monazite in total HM
- Mining scheduled to commence 2H CY2023 followed by processing Q4 2023
- Forecast processing rate of 2.6 million tonnes per annum
- Total Heavy Mineral Concentrate production of 446kt

- Net pre-tax project cash flow of A\$62M

Atlas is a high-grade deposit and has coarse-grained minerals which favour high recoveries, very much like at Boonanarring. However, unlike at Boonanarring, the strip ratio is much lower at Atlas, estimated at approximately 1:1 (Boonanarring 6:1), which translates to significantly lower mining costs at Atlas. The zircon content of the HM in the ore at Atlas is lower at 11.9% in total HM, compared to roughly 24% at Boonanarring. Rutile, on the other hand, is much higher at Atlas at 7.9% compared to approximately 3.5% at Boonanarring.

Project development, planning and study costs for Atlas have been funded internally to date and capital costs for the project are anticipated to be funded from cash reserves. In Q1 2022, a key piece of land close to the Atlas deposit was purchased. This property provides a suitable location for a camp site and has the added benefit of natural bushlands that are suitable for environmental land offsets if required.

The Atlas project is currently progressing through the approval process, with the Environmental Review Document (“ERD”) being submitted in December 2022. The Environmental Protection Authority (“EPA”) will be summarising submissions for Image to respond to post the ERD public review period ending early February 2023. The Environmental Management Plans are being prepared in parallel and will be adjusted as required based on submissions received to the ERD and conditions set out from final approval. Restricting the Atlas mining area to the southern section of the ore body has significantly reduced environmental impacts and is assisting with maintaining the overall approval process timeline.

Current estimates for the grant of approvals for Atlas remains at mid-CY2023. First plant throughput at Atlas is being planned for Q4 2023 with first shipment of HMC to occur in Q1 2024.

The Company continues to work actively and co-operatively with the local traditional owners, through the Southwest Aboriginal Land and Sea Council (“SWALSC”), along with various service providers to address any outstanding cultural and heritage issues and to identify workable solutions to facilitate environmental approvals to allow mining at Atlas in a timely manner.

The 100%-owned Hyperion and Helene projects (Mineral Resources of 5.0Mt at 6.3% HM and 13.2Mt at 4.3% HM respectively – Table 11), are located to the immediate north of Atlas, and are potentially within economic trucking or pumping distance from the planned location of the Atlas WCP, or may be accessible as satellite operations using the smaller CT1 WCP. Both projects are being assessed as part of the overall plan to extend the mine life in the Atlas area.

Bidaminna

The Bidaminna Project is 100%-owned and is currently the subject of a PFS being conducted by IHC Mining, as a potential stand-alone dredge mining production centre, to be operated in parallel with operations in the Atlas area. Bidaminna is located 100km north of Perth (25km northwest of Boonanarring). Bidaminna has current Mineral Resources of 102mt at 2.2% HM (see Table 11 and refer ASX announcement 31 March 2021).

The Bidaminna deposit has a high-value titanium mineral assemblage, including an estimated 36% leucosene (70-95% TiO₂), 4.4% rutile, 5% zircon and 48% ilmenite (as percentages within the HM). It is a coarse-grained deposit (amenable to high recoveries), with very low slimes (<4%), minimal oversize (<3%) and very low trash content (93% VHM). The mineralisation is located below the water table and has a strip ratio of approximately 1:1. Initial scoping study results indicate the deposit is amenable to lower-cost dredge mining.

Heritage, fauna and flora surveys were completed in Q1 2022, drilling to collect necessary geotechnical data to support the PFS was completed in Q2, and drilling for upgrading the Mineral Resources Estimate commenced in Q2 and completed in Q3 2022. Mineral assemblage data was received in late Q4 2022. An updated Mineral Resources estimate is anticipated in Q1 2023.

IHC Mining has been commissioned to complete a PFS, and following the publication of an updated Mineral Resources estimate will be producing an inaugural Ore Reserve estimate, supported by results of the PFS expected to be finalised in Q1 2023.

Exploration

The Company's exploration portfolio is primarily focused on mineral sands, with the exception of two, adjacent exploration licences and two associated prospecting licences with a focus on gold (see Table 7 – Tenement Schedule). All tenements are located in Western Australia, and all mineral sands related tenements are located in the North Perth Basin, across a combined area of 1,704 square kilometres.

With the expansion of the Company's minerals sands portfolio through the strategic acquisition of the Eneabba Tenements and McCalls Project in CY2022, the North Perth Basin tenements now consist of 22 named project areas, each with identified Mineral Resources Estimates as presented in Tables 9,10 and 11 and Figures 23 and 24.

Drilling Programs

The drilling activity planned for 2023 includes 783 holes for 38,120m. (Table 6). The granted tenements drilling is split into mineral sand drilling in the North Perth Basin tenements and gold drilling at the King JV and Erayinia Projects. The mineral sand drilling is subdivided into Exploration and Development drilling, while the gold drilling is predominantly resource development. The tenements at the end of the quarter are shown in Table 7 and Figures 23 and 24.

Table 6: Drilling Planned 2023

Category	Project Title	Tenement ID	DH's	Metres	Access
Mineral Sand Exploration	Cooljarloo -Woolka	E70/4244	80	4,800	Granted
	Cooljarloo - Nambung	E70/5034	20	1,200	Granted
	Bidaminna	E70/2844, E70/4794, E70/5776	76	4,920	Granted
	Eneabba	E70/4719, E70/6275	140	4,800	Granted
	Cooljarloo - Hyperion	R70/051	87	2,600	Partial
	Total		403	18,320	
Mineral Sand Development	Cooljarloo - Atlas West	M70/1305	120	2,400	Granted
	Red Gully - Gingin Nth	E70/3192	60	2,400	No
	McCalls	E70/3929	50	2,500	No
	Mindarra Springs	E70/4584	50	2,500	No
	Total		280	9,800	
Gold Development	Erayinia AC	E28/2742, E28/1895, P28/1320, P28/1321	40	3,000	Granted
	Erayinia RC	E28/2742, E28/1895, P28/1320, P28/1322	60	7,000	Granted
	Total		100	10,000	
	Grand Total		783	38,120	

Bidaminna Project

The two main tenements over the current Bidaminna Mineral Resources Estimate (“MRE”) area are E70/3298 and E70/2884. An additional tenement (E70/5776) is located over potential northern extensions of the MRE area (Figure 8).

An upgraded MRE for Bidaminna was announced to the ASX on 31 March 2021 and was reported as Indicated (17%) and Inferred (83%) JORC Mineral Resources at a cut-off grade of 0.5% HM. The MRE summary outlined the following favourable characteristics:

102 million tonnes at 2.2% total HM, and with the HM consisting of:

- 36% leucoxene (70-95% TiO₂)
- 5% zircon (premium grade)
- 4% rutile (95% TiO₂)
- 48% ilmenite (50-70% TiO₂) and
- 93% valuable heavy minerals (VHM).

A MRE using a lower cut-off grade resulting in 102Mt at 2.2% HM shows positive preliminary economic assessment as a dredging operation. Some of the key positive attributes of the deposit include high leucoxene content averaging 36%, very low slimes (<4%) and very low oversize (<3%).

Resource infill drilling at Bidaminna of 120 holes for 6,971m (average 58m) was completed in June 2022. The total drill programme was finished in July 2022 and included 183 holes for 10,326m (average 56m) and effectively the line spacing is now 200m (including the historical Geopeko drilling), which is being used to upgrade the majority of the Bidaminna MRE to an Indicated status.

Samples have been sent to two assay labs with all assays received in Q4. Sachet logging has been completed and 33 composites were sent for Qemscan work which will assist in outlining the varying leucoxene levels within the Bidaminna Resource. In addition, bulk test work samples have now been collected and sent to IHC Mining in Queensland for metallurgical test work as a key component of the PFS.

Figure 8 shows a series of long aeromagnetic targets within Bidaminna West E70/5776 and Bidaminna North E70/2844 parallel to the Bidaminna resource. The magnetic amplitudes are like the amplitudes over the Bidaminna Resource. After ground magnetic surveys were completed, both properties were proven to contain magnetic targets. A programme of 31 AC holes for 1,272m was completed at Bidaminna West. This drilling programme will be reviewed once the lab assays are received.

Ground magnetic surveys have now been completed over a location 6km to the north of Bidaminna West and results suggest further mineral sand signatures worthy of drill testing. An access agreement has been prepared for this location and is being reviewed by the landowner (Figure 8).

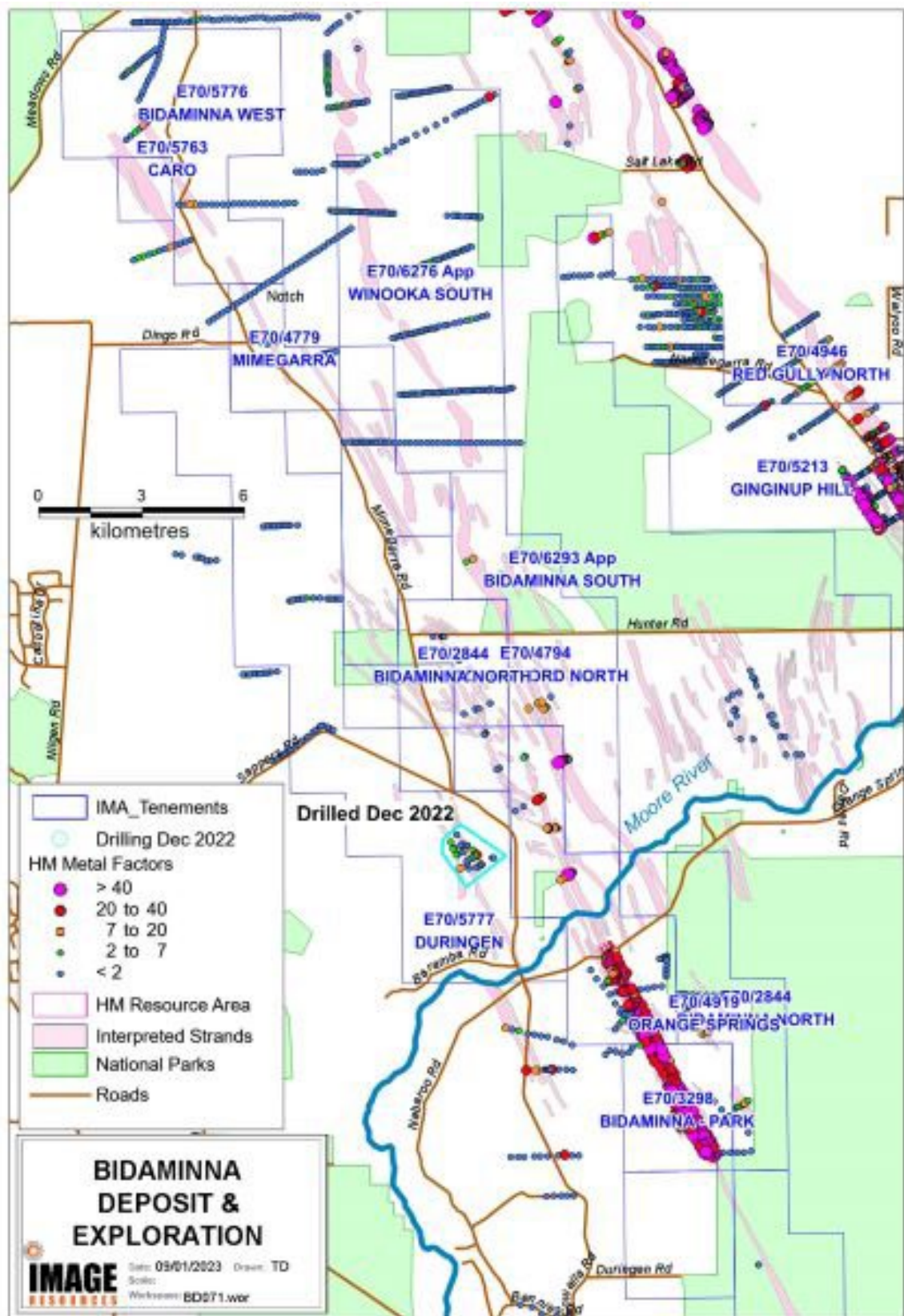


Figure 8: Completed Bidaminna Resource drilling (shown in blue), ground magnetic surveys and planned drilling at Mimegarra (shown in yellow) and completed drilling at Bidaminna Northwest (outlined in light blue)

Figure 9: Extensive NS multiple aeromagnetic interpreted strandlines in pink with completed drilling by Image with results pending shown in yellow.

Erayinia E28/1895, Madoonia Downs E28/2742, King Prospect P28/1320, P28/1321

The King Prospect is located in the heart of, and completely surrounded by, Erayinia and Image's adjacent 100%-owned Madoonia Downs tenement (Figure 10) and is located 135km SE of Kalgoorlie in Western Australia. Image now has an 100% interest in the King Prospect as well, after the owners elected to revert to a combined 2% net smelter royalty position.

The King Prospect tenements are located within the Erayinia tenement which adjoins Image's 100%-owned Madoonia Downs tenement to the north, as shown in Figure 10. The locations of Erayinia, King and Madoonia Downs, relative to Kalgoorlie and surrounding gold mining operations, are shown in Figure 11.

The latest infill drill program resulted in a number of significant gold intersections mainly within the central part of the northern mineralised zone (Figure 12 and 13), which was previously sparsely drilled. Highlighted intersections include 21m at 2.1g/t from 84m, including 3m at 8g/t from 94m in EYRC119; 37m at 1.4g/t from 65m, including 3m at 16g/t from 99m in EYRC116; and 20m at 1.1g/t from 63m, including 2m at 3.2g/t from 63m in EYRC127.

Several intersections are open at depth and will be followed up with deeper RC drilling including the intersections in both EYRC119 (Figure 16, Cross section 3) and EYRC92 (Figure 18, Cross section 5) as shown in the highlights below.

Highlights of the drilling results

- 18m at 1.1g/t from 23m in EYRC91
- 30m at 1.2g/t from 50m in EYRC92
- 1m at 9.7g/t from 97m in EYRC111
- 21m at 2.1g/t from 84m including 3m at 8g/t from 94m in EYRC119
- 37m at 1.4g/t from 65m including 3m at 16g/t from 99m in EYRC116
- 20m at 1.1g/t from 63m including 2m at 3.3g/t from 63m in EYRC127
- 8m at 1.0g/t from 39m in EYRC123
- 1m at 7.2g/t from 52m in EYRC125

The objective of the drilling program, which is continuing, is to extend the overall size and grade of gold mineralisation, especially in the northern zone, and to increase drilling density in the lead up to an inaugural MRE in Q2 2023 and potentially progressing to a scoping study in 2H 2023.

RC drilling will focus on the northern end of the north zone where more infill is required as some of the existing line spacing is too coarse. Also, some targets, mainly to the south, that occur on the western ground magnetic contact where most of the mineralisation occurs (coloured blue in Figure 12 and orange in Figure 22), have only been tested with shallow AC drilling. Further AC/RC drilling is planned in areas where the previous AC drilling was unable to reach the desired depth.

Gold mineralisation at Erayinia/King is separated into two distinct styles. Firstly, there is a common horizontal supergene mineralisation located in the lower saprolite and proximal to the surface expression of the primary mineralisation. Secondly, there are four primary gold-hosted, shallow shear zones that strike northwest and dip moderately to the southwest.

Strong altered mafic rocks are common in the mineralised zones, containing chlorite and carbonate alteration with minor quartz and with some albite alteration and minor hematite and magnetite.

The recent drilling was primarily testing wider gaps between the mineralised zones to check continuity of mineralisation. Future drilling will focus on testing higher-grade intersection areas, for potential expansion of gold mineralisation laterally and downwards while searching for higher grades and identification of potential root zones. As previously mentioned, the intersections in EYRC119 of 21m at 2.1 g/t from 84m depth and EYRC92 of 20m at 1.3g/t from 50m depth are promising and open at depth and will be followed up with deeper RC drilling.

Additionally, there is an approximate 3km of potential strike, outside the previously identified mineralised areas, that is marked by ground magnetics. Ground magnetics correlate reasonably well with gold mineralisation within the two currently identified mineralised areas (Figure 22). The two current main mineralised zones at Erayinia/King form a key part of a strongly mineralised zone covering an area approximately 1.7km in length by 75m wide.

Some individual holes are also directed at testing the down-dip extension of higher-grade intersections within the multiple westerly dipping lodes. These interpreted multiple stacked lodes may continue at depth and could potentially be similar to some of the larger deposits in the Kalgoorlie districts that have bulk tonnage.

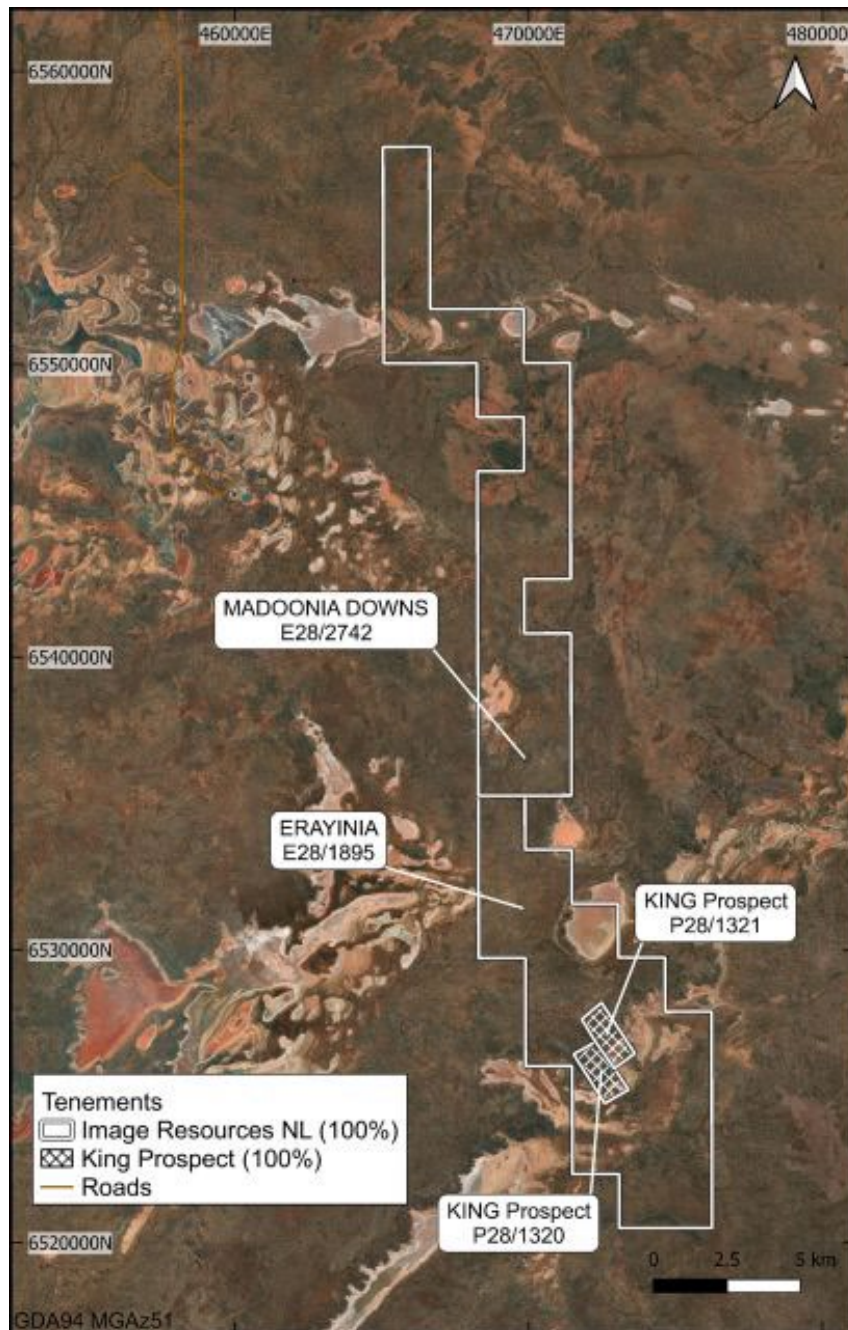


Figure 10: Erayinia, Madoonia Downs and the King Prospect Location Map

Page 20 of 41

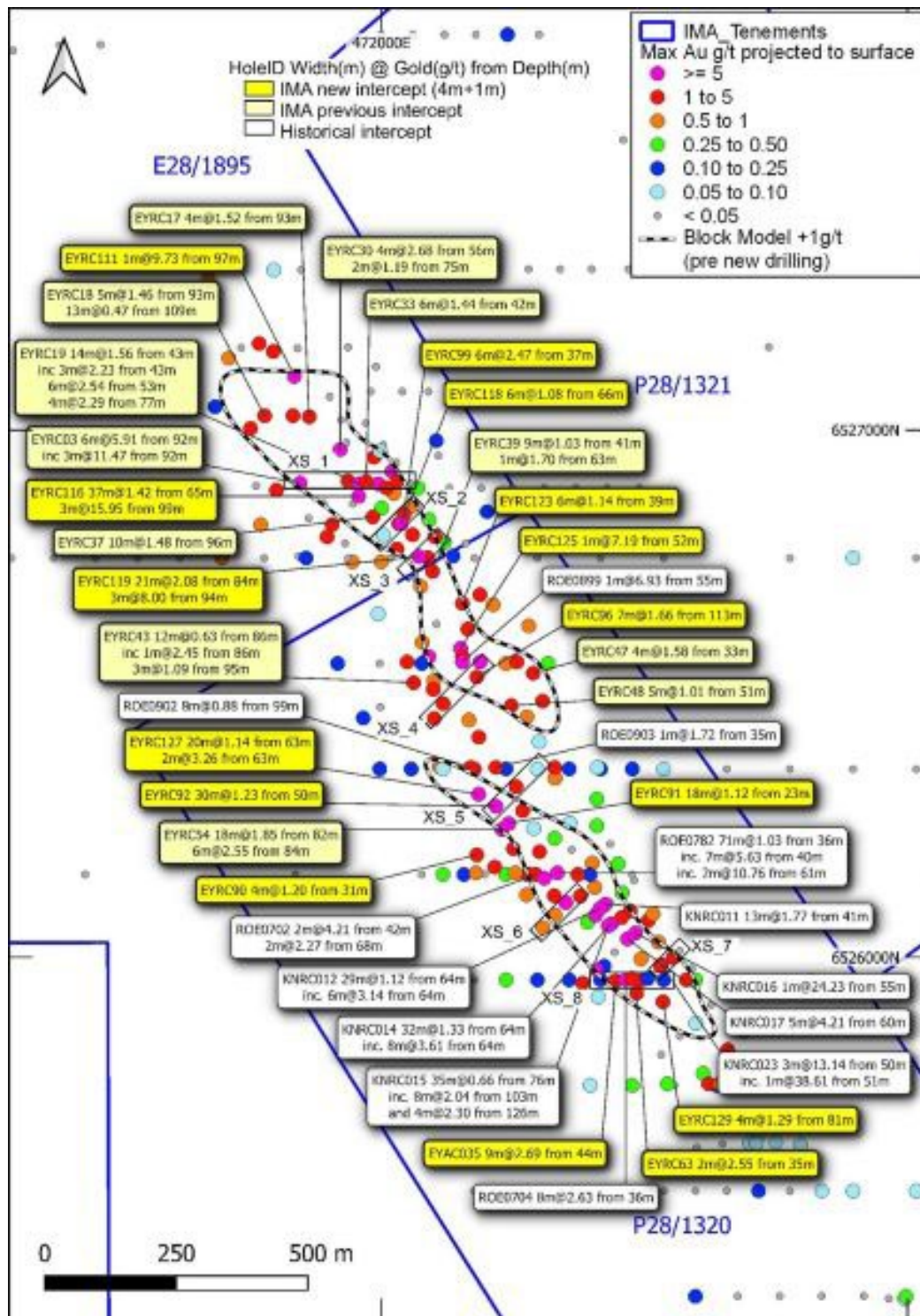


Figure 12: Maximum gold intercepts

Figure 12 shows the main 75mx700m southern higher-grade mineralised zone (dashed line) within King P28/1320 and parallel northern 75mx1000m zone (dashed line) with widely spaced drilling that extends into Erayinia E28/1895.

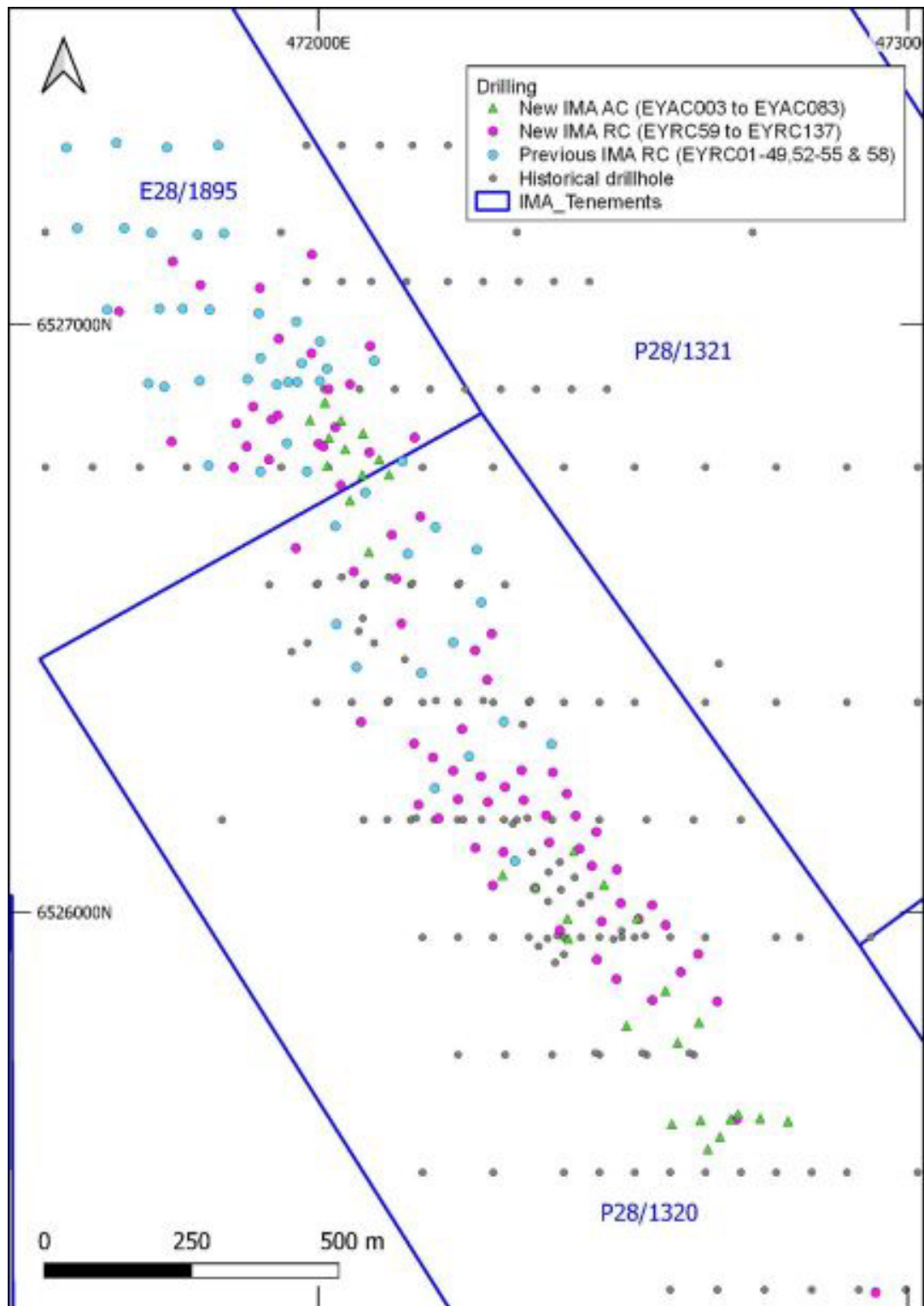


Figure 13: Locations of all new drill holes relative to previous and historic holes

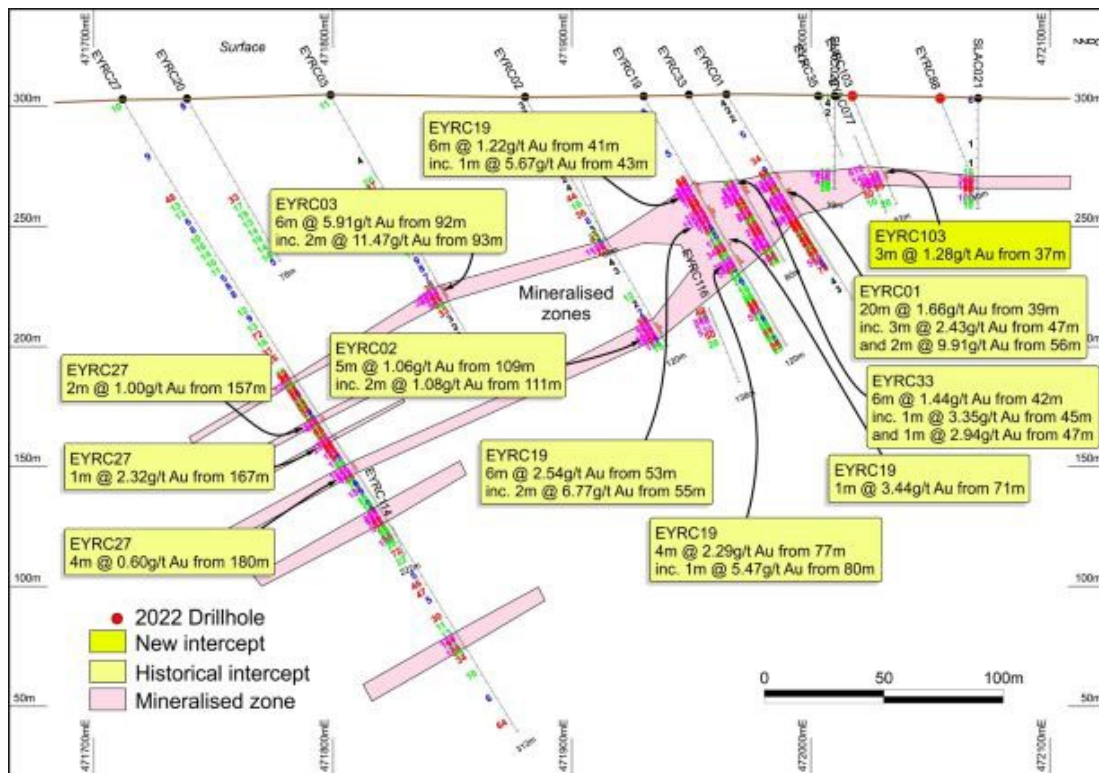


Figure 14: Cross section 1 showing mineralised zones, significant gold intercepts

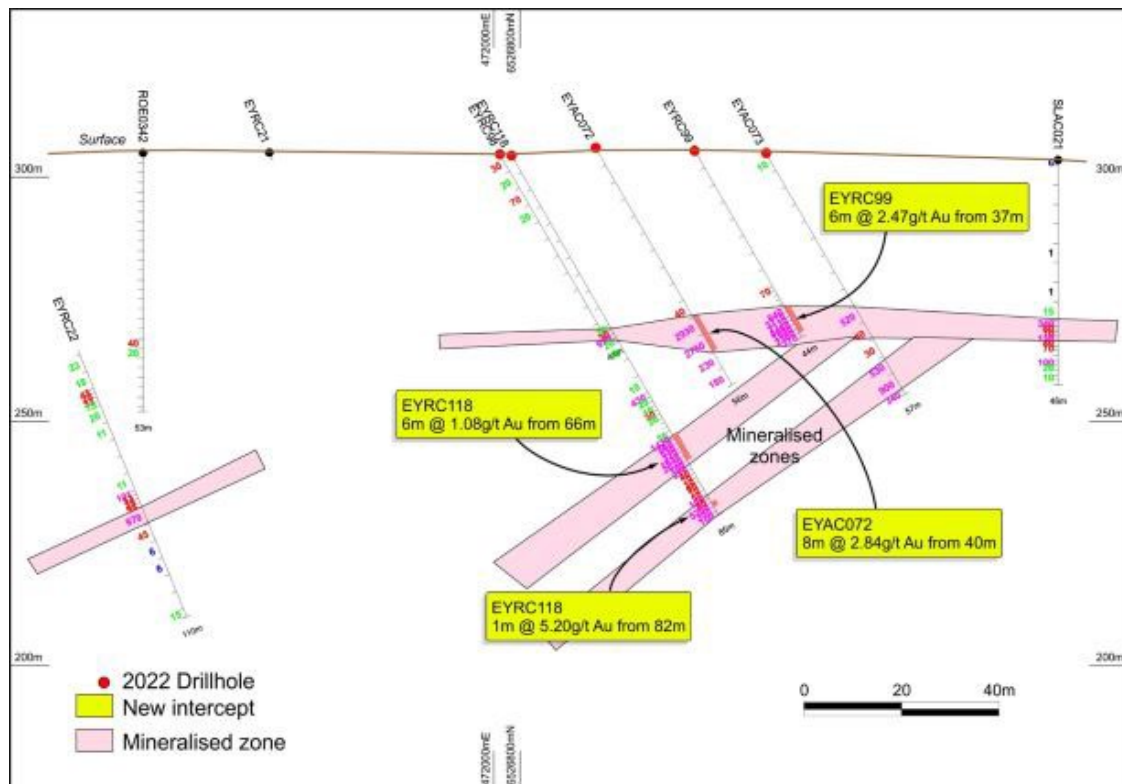


Figure 15: Cross section 2 showing mineralised zones, significant gold intercepts

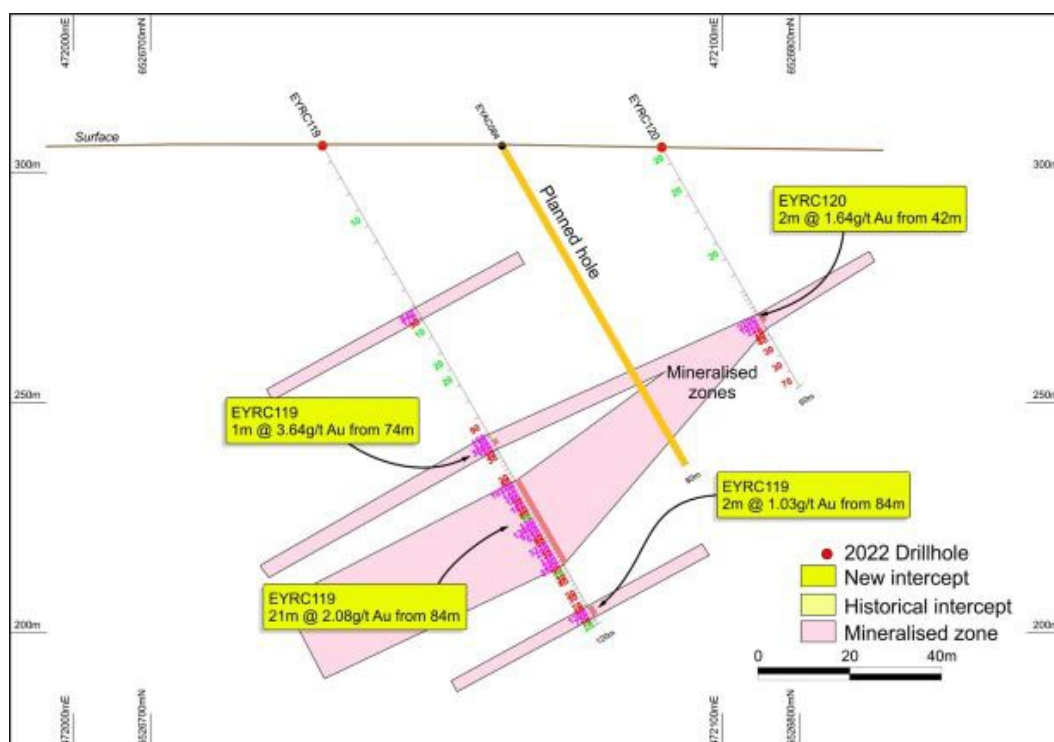


Figure 16: Cross section 3 showing mineralised zones, significant gold intercepts

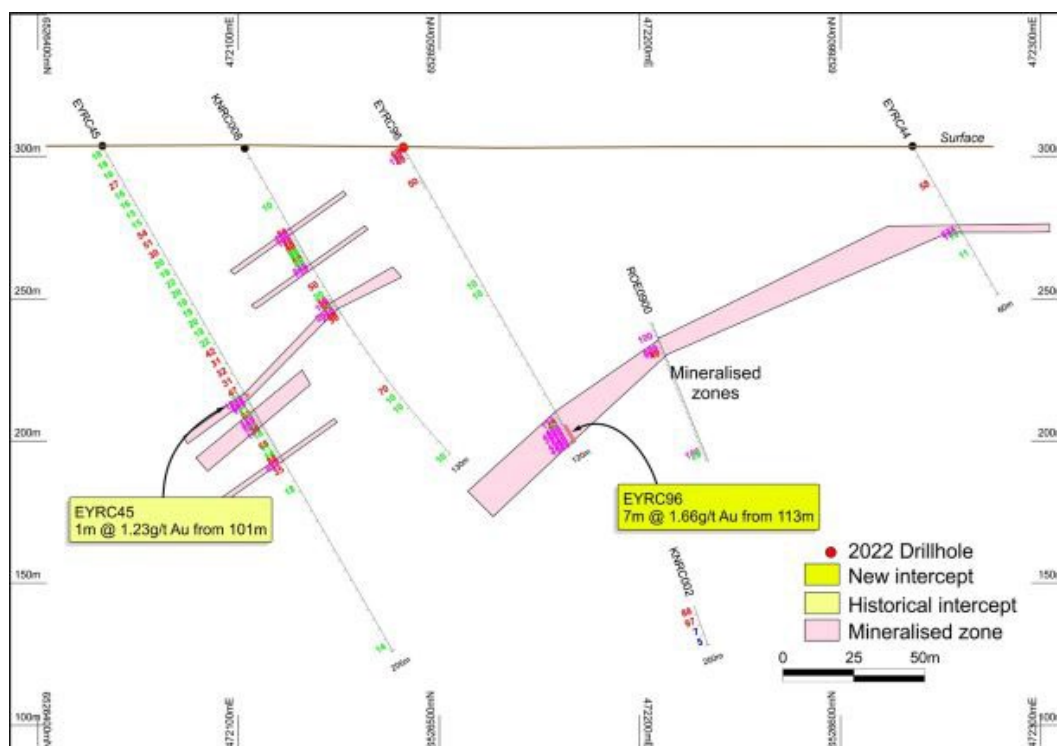


Figure 17: Cross section 4 showing mineralised zones, significant gold intercepts

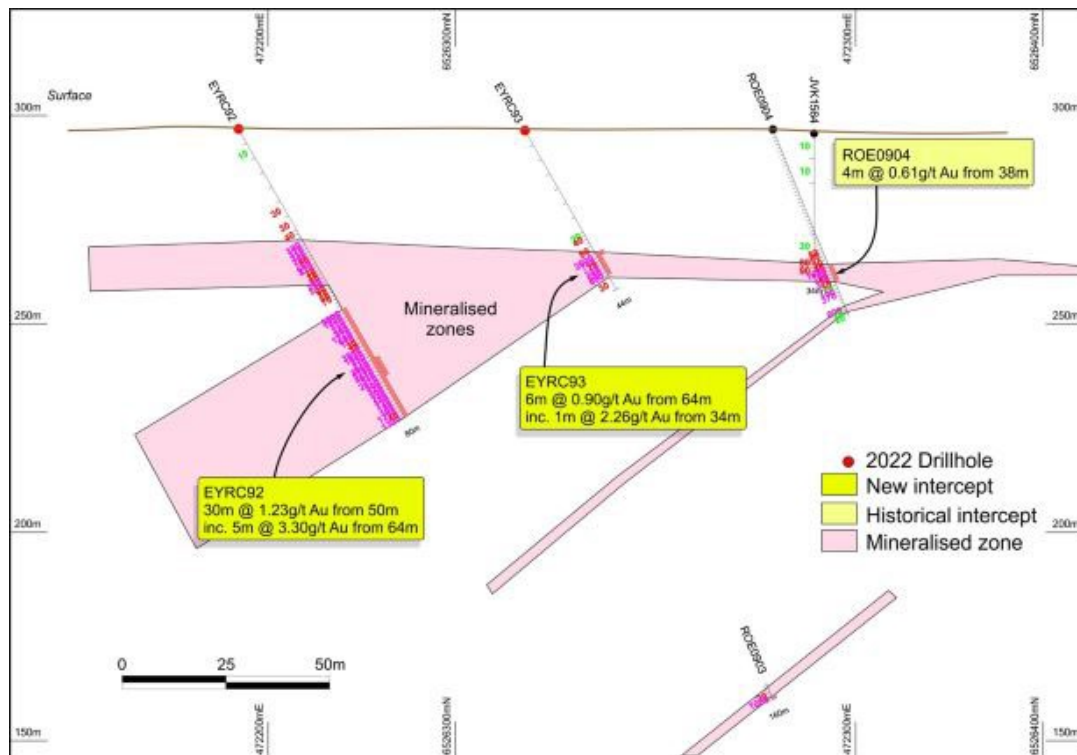


Figure 18: Cross section 5 showing mineralised zones, significant gold intercepts

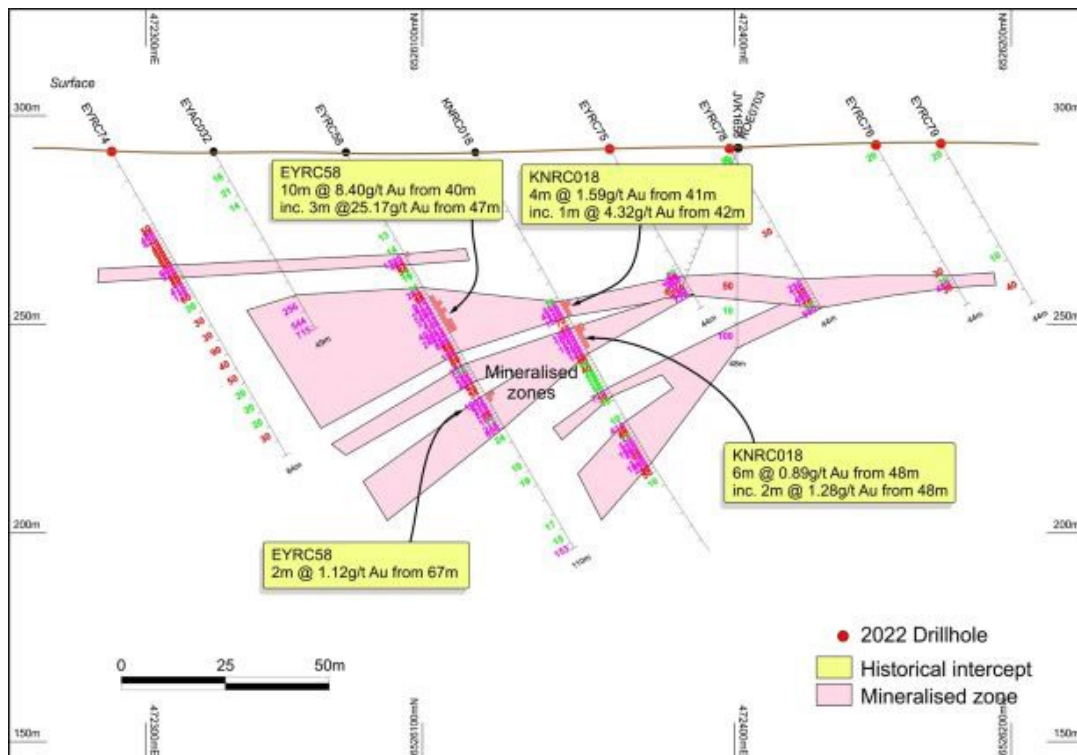


Figure 19: Cross section 6 showing mineralised zones, significant gold intercepts

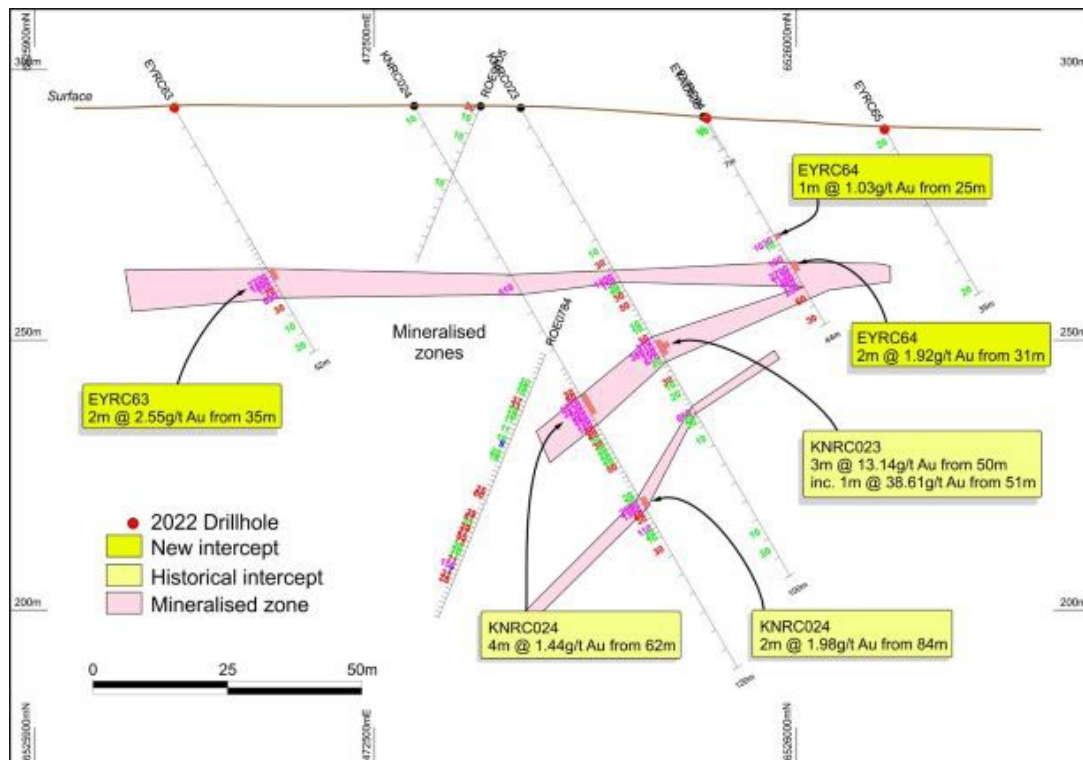


Figure 20: Cross section 7 showing mineralised zones, significant gold intercepts

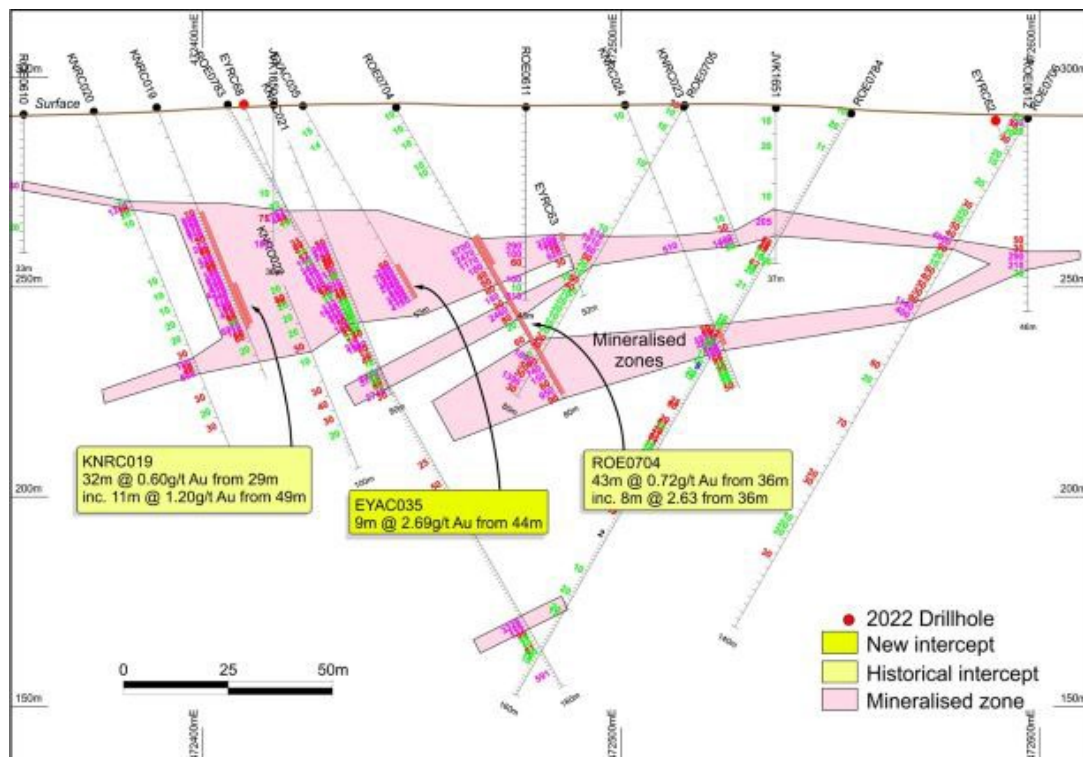


Figure 21: Cross section 8 showing mineralised zones, significant gold intercepts

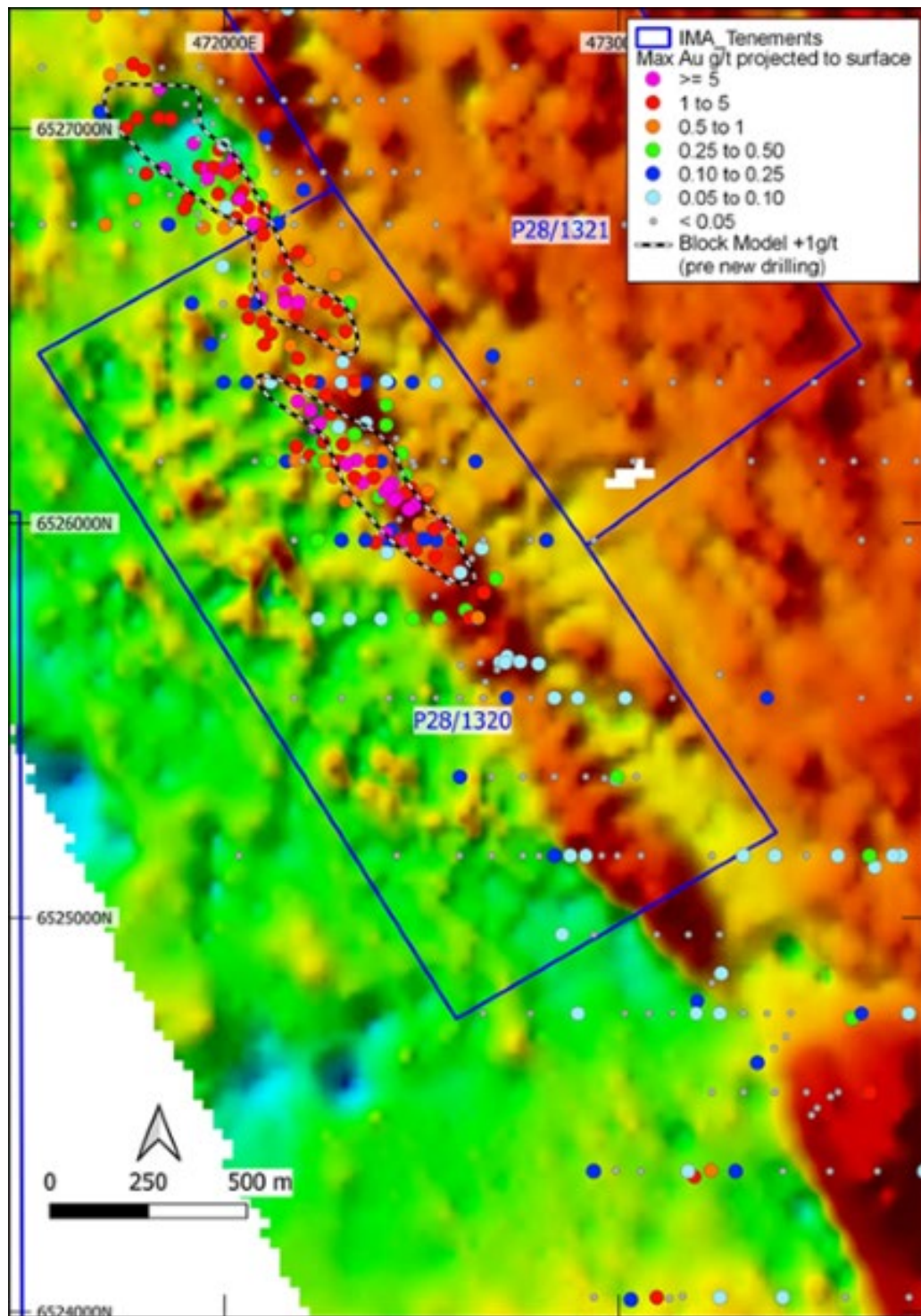


Figure 22: Maximum gold intercepts

Figure 22 shows the main 75mx700m western higher-grade mineralised zone within P28/1320. There is a parallel northern 75mx1000m zone with widely spaced drilling that extends northwards into E28/1895 where a number of RC holes were completed shown in black. Planned AC drilling is shown in blue and exploration extension AC drilling is shown in orange heading south in the King and the surrounding Erayinia tenement. Background is ground magnetic intensity (Refer to the Company's ASX release dated 28 October 2021 for further details of the ground magnetism results).

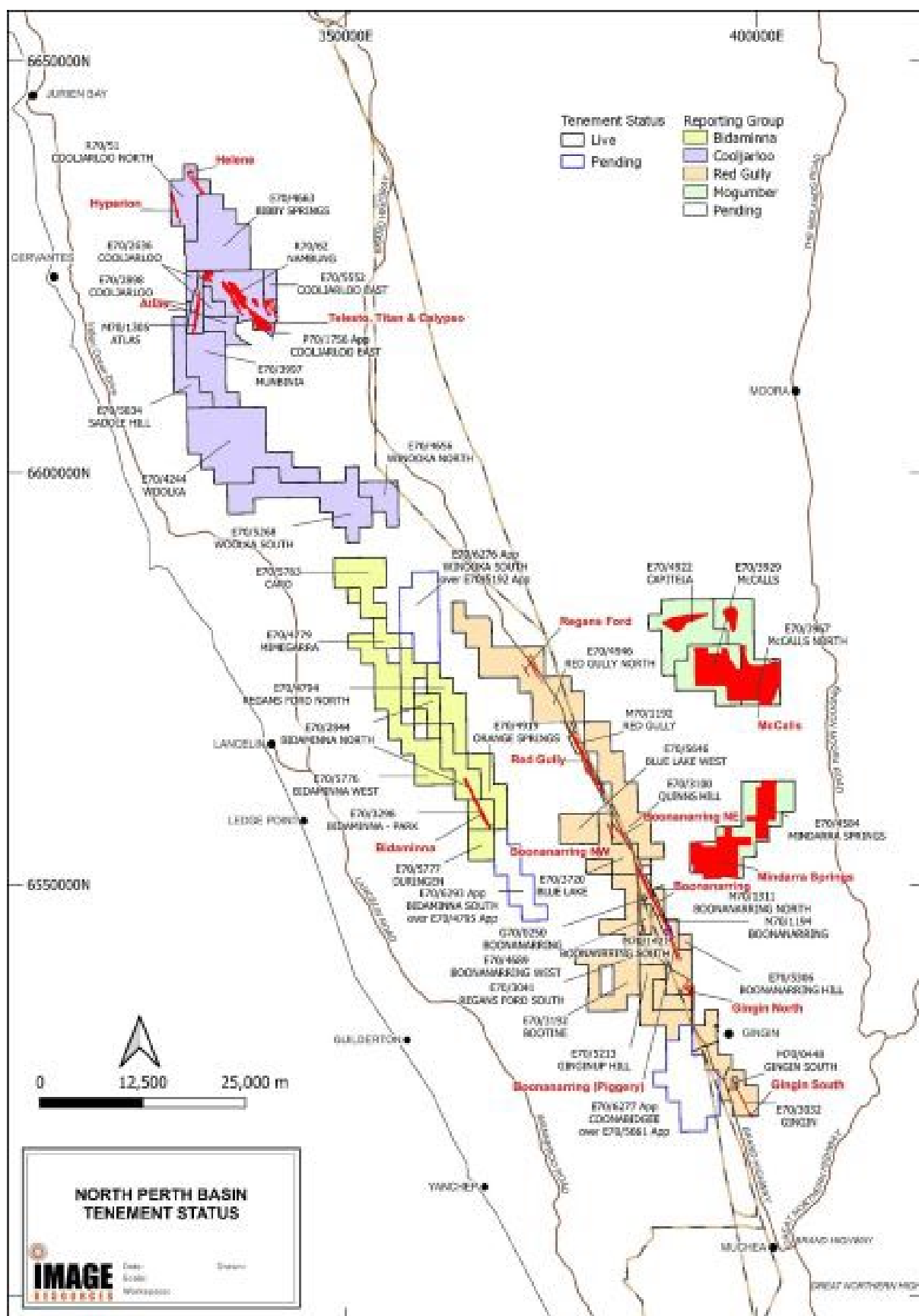


Figure 23: North Perth Basin Tenements as of Q4.

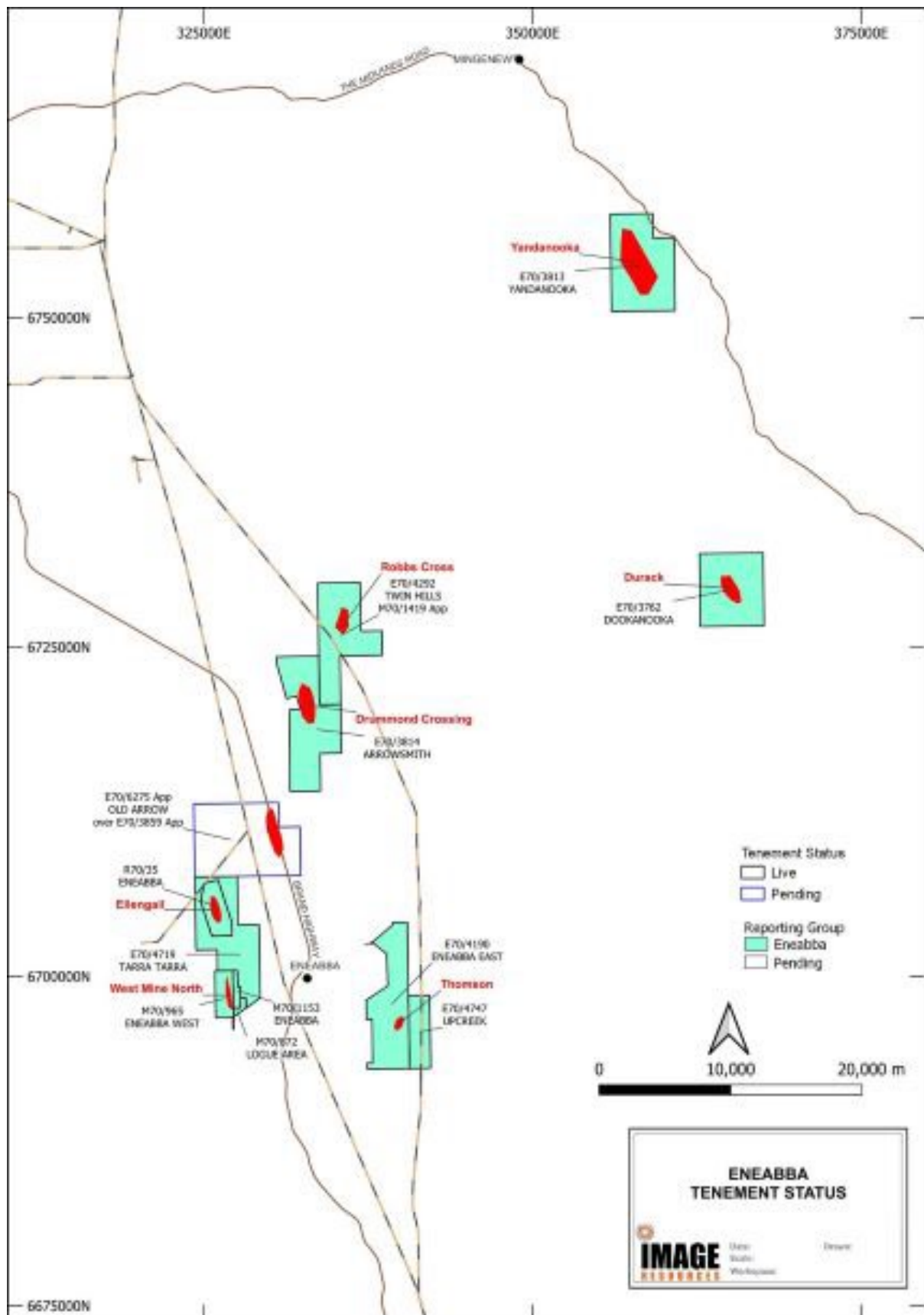


Figure 24: Eneabba Tenements of Q4

Table 7. Tenement Schedule in accordance with ASX Listing Rule 5.3.3

Location	Tenement	Nature of Interest	Project	Equity (%) held at start of Quarter	Equity (%) held at end of Quarter
Tenements held at the end of the Quarter					
WA	E28/1895	Granted	ERAYINIA	100%	100%
WA	E28/2742	Granted	MADOONIA DOWNS	100%	100%
WA	E52/3917	Granted	WILTHORPE	1% Royalty payable in all minerals	1% Royalty payable in all minerals
WA	M52/1067	Granted	WILTHORPE	1% Royalty payable in all minerals	1% Royalty payable in all minerals
WA	E70/2636	Granted	COOLJARLOO	100%	100%
WA	E70/2844	Granted	BIDAMINNA NTH	100%	100%
WA	E70/2898	Granted	COOLJARLOO	100%	100%
WA	E70/3032	Granted	GINGIN	100%	100%
WA	E70/3041	Granted	REGANS FORD SOUTH	100%	100%
WA	E70/3100	Granted	QUINNS HILL	100%	100%
WA	E70/3192	Granted	BOOTINE	100%	100%
WA	E70/3298	Granted	BIDAMINNA -PARK	100%	100%
WA	E70/3494	Granted	BRYALANA	100%	100%
WA	E70/3720	Granted	BLUE LAKE	100%	100%
WA	E70/3892	Granted	CHAPMAN HILL	100%	0%
WA	E70/3997	Granted	MUNBINIA	100%	100%
WA	E70/4077	Granted	DARLING RANGE	100%	0%
WA	E70/4244	Granted	WOOLKA	100%	100%
WA	E70/4656	Granted	WINOOKA NORTH	100%	100%
WA	E70/4663	Granted	BIBBY SPRINGS	100%	100%
WA	E70/4689	Granted	BOONANARRING WEST	100%	100%
WA	E70/4779	Granted	MIMEGARRA	100%	100%
WA	E70/4794	Granted	REGANS FORD NORTH	100%	100%
WA	E70/4795	Application	BIDAMINNA SOUTH	100% pending grant	100% pending grant
WA	E70/4919	Granted	ORANGE SPRINGS	100%	100%
WA	E70/4946	Granted	RED GULLY NORTH	100%	100%
WA	E70/4949	Granted	NAMMEGARRA	100%	0%
WA	E70/5034	Granted	SADDLE HILL	100%	100%
WA	E70/5192	Application	WINOOKA SOUTH	100% pending grant	100% pending grant
WA	E70/5193	Granted	CHAPMAN HILL NORTH	100%	0%
WA	E70/5213	Granted	GINGINUP HILL	100%	100%
WA	E70/5268	Granted	WOOLKA SOUTH	100%	100%
WA	E70/5306	Granted	BOONANARRING HILL	100%	100%
WA	E70/5552	Granted	COOLJARLOO EAST	100%	100%
WA	E70/5646	Granted	BLUE LAKE WEST	100%	100%
WA	E70/5661	Application	COONABIDGEE	100% pending grant	100% pending grant
WA	E70/5763	Granted	CARO	100%	100%
WA	E70/5776	Granted	BIDAMINNA WEST	100%	100%
WA	E70/5777	Granted	DURINGEN	100%	100%
WA	G70/0250	Granted	BOONANARRING	100%	100%
WA	M70/0448	Granted	GINGIN SOUTH	100%	100%
WA	M70/1192	Granted	RED GULLY	100%	100%
WA	M70/1194	Granted	BOONANARRING	100%	100%
WA	M70/1305	Granted	ATLAS	100%	100%
WA	M70/1311	Granted	BOONANARRING NORTH	100%	100%

Location	Tenement	Nature of Interest	Project	Equity (%) held at start of Quarter	Equity (%) held at end of Quarter
WA	P70/1520	Application	COOLJARLOO	100% pending grant	100% pending grant
WA	P70/1756	Application	COOLJARLOO EAST	100% pending grant	100% pending grant
WA	R70/0051	Granted	COOLJARLOO NORTH	100%	100%
WA	R70/0062	Granted	NAMBUNG	100%	100%
WA	E70/3762	Granted	DOOKANOOKA	100% pending transfer	100% pending transfer
WA	E70/3813	Granted	YANDANOOKA	100% pending transfer	100% pending transfer
WA	E70/3814	Granted	ARROWSMITH	100% pending transfer	100% pending transfer
WA	E70/3929	Granted	MCCALLS	100% pending transfer	100% pending transfer
WA	E70/3967	Granted	MCCALLS NORTH	100% pending transfer	100% pending transfer
WA	E70/4190	Granted	ENEABBA EAST	100% pending transfer	100% pending transfer
WA	E70/4292	Granted	TWIN HILLS	100% pending transfer	100% pending transfer
WA	E70/4584	Granted	MINDARRA SPRINGS	100% pending transfer	100% pending transfer
WA	E70/4719	Granted	TARRA TARRA	100% pending transfer	100% pending transfer
WA	E70/4747	Granted	UPCREEK	100% pending transfer	100% pending transfer
WA	E70/4922	Granted	CAPITELA	100% pending transfer	100% pending transfer
WA	M70/0872	Granted	LOGUE AREA	100% pending transfer	100% pending transfer
WA	M70/0965	Granted	ENEABBA WEST	100% pending transfer	100% pending transfer
WA	M70/1153	Granted	ENEABBA	100% pending transfer	100% pending transfer
WA	R70/0035	Granted	ENEABBA	100% pending transfer	100% pending transfer
WA	E70/3859	Application	OLD ARROW	100% pending grant	100% pending grant
WA	E70/3859	Application	OLD ARROW	100% pending grant	100% pending grant
WA	E70/6275	Application	OLD ARROW	100% pending grant	100% pending grant
WA	E70/6276	Application	WINOOKA SOUTH	100% pending grant	100% pending grant
WA	E70/6277	Application	COONABIDGEE	100% pending grant	100% pending grant
WA	E70/6293	Application	BIDAMINNA SOUTH	100% pending grant	100% pending grant
WA	M70/1419	Application	TWIN HILLS	100% pending grant	100% pending grant
WA	M70/1420	Application	BOONANARRING SOUTH	100% pending grant	0%
WA	M70/1421	Application	BOONANARRING SOUTH	0%	100% pending grant

Mining Tenements acquired during the Quarter

WA	E70/3762	Granted	DOOKANOOKA	100% pending transfer	100% pending transfer
WA	E70/3813	Granted	YANDANOOKA	100% pending transfer	100% pending transfer
WA	E70/3814	Granted	ARROWSMITH	100% pending transfer	100% pending transfer
WA	E70/3929	Granted	MCCALLS	100% pending transfer	100% pending transfer
WA	E70/3967	Granted	MCCALLS NORTH	100% pending transfer	100% pending transfer
WA	E70/4190	Granted	ENEABBA EAST	100% pending transfer	100% pending transfer
WA	E70/4292	Granted	TWIN HILLS	100% pending transfer	100% pending transfer
WA	E70/4584	Granted	MINDARRA SPRINGS	100% pending transfer	100% pending transfer
WA	E70/4719	Granted	TARRA TARRA	100% pending transfer	100% pending transfer
WA	E70/4747	Granted	UPCREEK	100% pending transfer	100% pending transfer
WA	E70/4922	Granted	CAPITELA	100% pending transfer	100% pending transfer
WA	M70/0872	Granted	LOGUE AREA	100% pending transfer	100% pending transfer
WA	M70/0965	Granted	ENEABBA WEST	100% pending transfer	100% pending transfer
WA	M70/1153	Granted	ENEABBA	100% pending transfer	100% pending transfer
WA	R70/0035	Granted	ENEABBA	100% pending transfer	100% pending transfer
WA	E70/3859	Application	OLD ARROW	100% pending grant	100% pending grant
WA	E70/6293	Application	BIDAMINNA SOUTH	100% pending grant	100% pending grant
WA	E70/6276	Application	WINOOKA SOUTH	100% pending grant	100% pending grant
WA	E70/6277	Application	COONABIDGEE	100% pending grant	100% pending grant
WA	E70/6275	Application	OLD ARROW	100% pending grant	100% pending grant

Location	Tenement	Nature of Interest	Project	Equity (%) held at start of Quarter	Equity (%) held at end of Quarter
WA	M70/1419	Application	TWIN HILLS	100% pending grant	100% pending grant
WA	M70/1421	Application	BOONANARRING SOUTH	0%	100% pending grant

Mining Tenements disposed during the Quarter

WA	M70/1420	Application	BOONANARRING SOUTH	100% pending grant	0%
WA	E70/4077	Granted	DARLING RANGE	100%	0%
WA	E70/4949	Granted	NAMMEGARRA	100%	0%
WA	E70/3892	Granted	CHAPMAN HILL	100%	0%
WA	E70/5193	Granted	CHAPMAN HILL NORTH	100%	0%

FORWARD LOOKING STATEMENTS

Certain statements made during or 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 have been 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 exploration properties, 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 events or circumstances after today's date or to reflect the occurrence of unanticipated events.

Mineral Resources & Ore Reserves Statement

The estimated Ore Reserves at Boonanarring include depletion from mining through 31 December 2021 and thereby represent remaining Ore Reserves at Boonanarring as at 31 December 2021. Atlas Ore Reserves were updated on 21 December 2022.

Table 8 – Ore Reserves - Strand Deposits; in accordance with the JORC Code (2012) – 31 December 2022

Project/Deposit	Ore Reserve Category	Tonnes (million)	In-situ HM Tonnes (millions)	Total HM grade (%)	HM Assemblage (% of total HM)				Slimes (%)	Oversize (%)
					Zircon	Rutile	Leuc.	Ilmenite		
Boonanarring	Proved	2.8	0.21	7.4	20	2.9	1.8	49	12	4.5
	Probable	1.1	0.07	6.2	17	4.8	6.2	43	15	6.1
	Sub Total	3.9	0.28	7.1	19	3.4	2.9	48	13	4.9
Atlas	Proved	4.5	0.48	10.6	12	8.0	4.9	54	15	4.6
	Probable	0.9	0.02	2.1	8	5.2	4.7	29	15	8.1
	Sub Total	5.5	0.51	9.2	12	7.9	4.9	53	15	5.2
Total Ore Reserves		9.4	0.79	8.3	14	6.3	4.2	51	14	5.1

1 Refer to Boonanarring Ore Reserves release 11 March 2022 "Boonanarring Annual Ore Reserve Update"

2 Atlas Ore Reserves refer to the 21 December 2022 release "Revised Announcement Atlas Project Ore Reserve Update"

The estimated Mineral Resources at Boonanarring include depletion from mining through 31 December 2021 and thereby represent remaining Mineral Resources at Boonanarring as at 31 December 2021. Atlas Mineral Resources were updated on 15 December 2022.

Table 9 – Mineral Resources – Dry Mining Strand Deposits; in accordance with the JORC Code (2012) - 31 December 2022

Deposit	Mineral Resource Category	Cut-off (total HM%)	Tonnes (million)	In-situ HM Tonnes (millions)	Total HM grade (%)	HM Assemblage (% of total HM)				Slimes (%)	Oversize (%)
						Zircon	Rutile	Leuc.	Ilmenite		
Boonanarring	Measured	2.0	3.9	0.28	7.2	18.1	2.9	2.8	48	12	4.5
	Indicated	2.0	5.4	0.26	4.8	12.3	4.6	9.8	49	17	4.8
	Inferred	2.0	0.9	0.03	3.3	11.5	4.4	5.5	53	15	6.4
	Sub Total	2.0	10.2	0.57	5.6	15.1	3.7	6.1	49	15	4.8
Atlas	Measured	2.0	7.1	0.63	9.0	10.7	7.5	5.1	51	15	4.6
	Indicated	2.0	5.0	0.18	3.5	7.0	4.7	5.1	42	16	4.6
	Inferred	2.0	5.2	0.17	3.3	9.1	4.4	4.8	54	14	2.7
	Sub Total	2.0	17.3	0.98	5.7	9.8	6.7	5.1	49	15	4.4
	Total Measured		11.0	0.91	8.3	12.6	6.3	4.5	50	14	4.6
	Total Indicated		10.4	0.43	4.2	9.8	4.6	7.6	45	16	4.7
	Total Inferred		6.1	0.20	3.3	9.8	4.4	5.0	54	14	3.2
Grand Total			27.4	1.55	5.6	11.6	5.7	5.5	49	15	4.6

Table 10 – Mineral Resources – Dredge Mining Strand Deposits; in accordance with the JORC Code (2012) – as at 31 December 2021

Deposit	Mineral Resource Category	Cut-off (total HM%)	Tonnes (million)	In-situ HM Tonnes (millions)	Total HM grade (%)	HM Assemblage (% of total HM)				Slimes (%)	Oversize (%)
						Zircon	Rutile	Leuc.	Ilmenite		
Bidaminna	Indicated	0.5	17	0.6	3.2	5.0	5.1	30	53	3.6	1.4
	Inferred	0.5	84	1.7	2.0	5.1	4.2	38	47	3.3	2.4
	Total	0.5	102	2.2	2.2	5.1	4.4	36	48	3.4	2.2

Table 11- Mineral Resources – Dry and Dredge Mining Strand Deposits; in accordance with JORC Code 2012 and JORC Code 2004 – as at 31 December 2022 (Boonanarring as at 31 December 2021)

	Deposit	Mineral Resource Category	Cut-off (total HM%)	Tonnes (million)	In-situ HM Tonnes (millions)	Total HM grade (%)	HM Assemblage (% of total HM)				Slimes (%)	Oversize (%)
							Zircon	Rutile	Leuc.	Ilmenite		
Dry Mining, JORC 2012 and 2004	Boonanarring	Measured	2.0	3.9	0.3	7.2	18.1	2.9	2.8	48	12	4.5
		Indicated	2.0	5.4	0.3	4.8	12.3	4.6	9.8	49	17	4.8
		Inferred	2.0	0.9	0.0	3.3	11.5	4.4	5.5	53	15	6.4
		Meas Ind and Inf	2.0	10.2	0.6	5.6	15.1	3.7	6.1	49	15	4.8
	Atlas	Measured	2.0	7.1	0.6	9.0	10.7	7.5	5.1	51	15	4.6
		Indicated	2.0	5.0	0.2	3.5	7.0	4.7	5.1	42	16	4.6
		Inferred	2.0	5.2	0.2	3.3	9.1	4.4	4.8	54	14	2.7
		Meas Ind and Inf	2.0	17.3	1.0	5.7	9.8	6.7	5.1	49	15	4.4
	Boonanarring North West	Indicated	2.0	3.1	0.2	5.1	9.6	6.8	30	35	11	1.2
		Inferred	2.0	1.2	0.1	5.0	8.3	7.4	36	27	10	0.8
		Ind and Inf	2.0	4.3	0.2	5.1	9.2	6.9	32	33	11	1.1
	Boonanarring North Extension	Indicated	2.0	2.5	0.3	11.8	16.4	2.7	12	41	17	7.1
		Inferred	2.0	0.2	0.0	4.7	16.0	2.5	11	39	17	8.4
		Ind and Inf	2.0	2.7	0.3	11.2	16.4	2.7	11	41	17	7.2
	Gingin North	Indicated	2.0	6.6	0.3	4.7	7.2	4.5	15	50	16	4.5
		Inferred	2.0	2.0	0.1	4.7	5.5	5.4	23	41	13	5.3
		Ind and Inf	2.0	8.7	0.4	4.7	6.8	4.7	17	48	15	4.7
	Helene	Indicated	2.0	12.1	0.6	4.9	7.4	5.1	14	47	18	1.4
		Inferred	2.0	1.0	0.0	4.0	7.5	5.7	16	45	15	1.1
		Ind and Inf	2.0	13.1	0.6	4.8	7.4	5.2	14	47	18	1.4
	Hyperion	Indicated	2.0	3.6	0.3	8.3	8.0	6.7	8.1	36	19	2.6
		Inferred	2.0	0.0	0.0	5.9	7.3	5.0	4.9	31	17	4.3
		Ind and Inf	2.0	3.6	0.3	8.3	8.0	6.7	8.1	36	19	2.6
	Drummond Crossing	Indicated	1.4	35.5	0.8	2.4	14.1	10.3	3.4	53	14	7.7
		Inferred	1.4	3.3	0.1	2.3	11.2	9.0	2.7	56	12	7.2
		Ind and Inf	1.4	38.8	0.9	2.4	13.9	10.2	3.4	54	14	7.7
	Durack	Indicated	1.4	20.7	0.6	2.9	13.7	2.9	3.7	71	14	14.7
		Inferred	1.4	5.6	0.1	2.6	14.2	2.6	7.4	64	16	18.3
		Ind and Inf	1.4	26.3	0.7	2.8	13.8	2.9	4.4	70	14	15.5
	Ellengail	Indicated	2.0	6.5	0.3	5.3	10.0	8.0	10.4	66	15	3.2
		Inferred	2.0	5.3	0.2	4.1	9.9	8.2	8.4	62	15	2.5
		Ind and Inf	2.0	11.8	0.6	4.8	9.9	8.1	9.6	64	15	2.9
	Robbs Cross	Indicated	1.4	14.0	0.3	1.9	14.7	12.7	5.0	47	6	6.2
		Inferred	1.4	3.8	0.1	2.0	14.5	10.9	4.1	50	6	8.1
		Ind and Inf	1.4	17.8	0.3	1.9	14.7	12.3	4.8	48	6	6.6
	Thomson	Inferred	1.4	25.7	0.5	2.0	18.8	13.8	5.4	42	18	6.9
		Inf	1.4	25.7	0.5	2.0	18.8	13.8	5.4	42	18	6.9
	Yandanooka	Measured	1.4	2.6	0.1	4.3	10.3	2.1	2.3	72	15	11.3
		Indicated	1.4	57.7	1.7	3.0	12.3	3.6	3.7	69	15	11.4
		Inferred	1.4	0.4	0.0	1.5	10.9	3.0	4.4	68	20	21.9
		Meas Ind and Inf	1.4	60.8	1.8	3.0	12.1	3.5	3.6	70	15	11.5
	Corridor	Inferred	2.0	18.1	0.6	3.1	6.7	5.5	0.4	47	14	4.8
		Inf	2.0	18.1	0.6	3.1	6.7	5.5	0.4	47	14	4.8
	West Mine North	Indicated	2.0	10.2	0.7	7.3	5.8	6.5	1.8	48	11	2.3
		Inferred	2.0	1.8	0.0	2.7	9.4	8.6	2.1	50	17	3.0
		Ind and Inf	2.0	12.0	0.8	6.6	6.0	6.6	1.8	48	12	2.4
	Gingin South *	Measured	2.5	1.5	0.1	4.4	7.8	5.6	15.3	51	7	0.0
		Indicated	2.5	5.8	0.4	6.5	8.1	5.1	9.8	68	7	11.0
		Inferred	2.5	0.7	0.0	6.5	10.9	5.8	7.5	67	8	8.7
		Meas Ind and Inf	2.5	8.1	0.5	6.1	8.3	5.2	10.3	65	7	8.7
	Regans Ford *	Indicated	2.5	9.0	0.9	9.9	10.0	4.3	10.0	70	17	0.0
		Inferred	2.5	0.9	0.1	6.5	10.1	4.4	7.7	68	19	0.0
		Ind and Inf	2.5	9.9	1.0	9.6	10.0	4.3	9.8	70	17	0.0
	Red Gully *	Indicated	2.5	3.4	0.3	7.8	12.4	3.1	8.3	66	12	0.0
		Inferred	2.5	2.6	0.2	7.5	12.4	3.1	8.3	66	11	0.0
		Ind and Inf	2.5	6.0	0.5	7.7	12.4	3.1	8.3	66	11	0.0
	McCalls	Indicated	1.1	1,630	23	1.4	5.2	3.3	2.8	77	21	1.1
		Inferred	1.1	1,980	24	1.2	5.0	3.8	3.2	81	26	1.1
		Ind and Inf	1.1	3,610	48	1.3	5.1	3.6	3.0	79	24	1.1
	Mindarra Springs	Inferred	1.1	2,200	36	1.6	4.2	0.9	3.1	80	20	5.1
		Inf	1.1	2,200	36	1.6	4.2	0.9	3.1	80	20	5.1
		Total Measured Dry		15.1	1.1	7.5	12.2	5.9	4.9	52	14	5.2
		Total Indicated Dry		1831	31.4	1.7	6.7	3.9	4.0	72	20	1.8
		Total Inferred Dry		4259	63.1	1.4	4.8	2.3	3.3	79	23	3.3
		Sub Total Dry		6105	95.6	1.5	5.5	2.8	3.5	77	22	2.8
Dredge Mining, JORC 2012	Bidaminna	Indicated	0.5	17.4	0.6	3.2	5.0	5.1	30.2	53	4	1.4
		Inferred	0.5	84.1	1.7	2.0	5.1	4.2	38.3	47	3	2.4
		Ind and Inf	0.5	101.6	2.2	2.2	5.1	4.4	36.3	48	3	2.2
	Titan	Indicated	1.0	21.2	0.4	1.8	9.5	3.1	1.5	72	22	0.0
		Inferred	1.0	115.4	2.2	1.9	9.5	3.1	1.5	72	19	0.0
		Ind and Inf	1.0	136.6	2.6	1.9	9.5	3.1	1.5	72	19	0.0
	Telesto	Indicated	1.0	3.5	0.1	3.8	9.5	5.6	0.7	67	17	0.0
		Ind	1.0	3.5	0.1	3.8	9.5	5.6	0.7	67	17	0.0
	Calypso	Inferred	1.0	51.5	0.9	1.7	10.8	5.1	1.6	68	14	0.0
		Inf	1.0	51.5	0.9	1.7	10.8	5.1	1.6	68	14	0.0
		Total Indicated Dredge		42.1	1.1	2.5	7.2	4.4	16.3	61	14	0.6
		Total Inferred Dredge		251.0	4.7	1.9	8.2	3.8	14.5	62	13	0.8
		Sub Total Dredge		293.2	5.8	2.0	8.0	4.0	14.8	62	13	0.8
	Total Combined Resources	Total Measured		15	1	7.5	12.2	5.9	4.9	52.0	13.6	5.2
		Total Indicated		1873	33	1.7	6.7	3.9	4.4	71.8	20.1	1.8
		Total Inferred		4510	68	1.5	5.0	2.4	4.0	78.2	22.1	3.1
		Grand Total		6398	101.4	1.6	5.6	2.9	4.2	75.8	21.5	2.7

* Reported in accordance with JORC 2004

PREVIOUSLY REPORTED INFORMATION

This report includes information that relates to Mineral Resources, Ore Reserves, production targets and forecast financial information derived from production targets which were prepared and first disclosed under JORC Code 2012. The information was extracted from the Company's previous ASX announcements as follows:

- Boonanarring Mineral Resources and Ore Reserves: 11 March 2022 "Boonanarring Annual Ore Reserve Update"
- Atlas Mineral Resources: 15 December 2022 "Mineral Resources Update – Atlas Deposit"
- Atlas Ore Reserves, production targets and forecast financial information derived from production targets: 21 December 2022 "Revised Announcement – Atlas Project Ore Reserve Update"
- Bidamina Mineral Resource: 31 March 2021 – "102 Million Tonnes Inaugural Dredge Mining Mineral Resource Estimate for Bidamina Mineral Sands Project"
- Eneabba Mineral Resources: 11 March 2022 – "Mineral Resources Update – Eneabba Tenements"
- West Mine North Mineral Resources: 29 July 2022 – "Mineral Resources Update – West Mine North"
- Gingin North Mineral Resources: 31 March 2021 – "Project MORE Update Boonanarring Atlas Projects"
- Boonanarring North Extension Mineral Resource: 31 March 2021 – "Project MORE Update Boonanarring Atlas Projects"
- Boonanarring North West Mineral Resources: 31 March 2021 – "Project MORE Update Boonanarring Atlas Projects"
- Helene Mineral Resources: 31 March 2021 – "Project MORE Update Boonanarring Atlas Projects"
- Hyperion Mineral Resources: 31 March 2021 – "Project MORE Update Boonanarring Atlas Projects"
- Titan Mineral Resources: 31 October 2019
- Telesto South Mineral Resources: 31 October 2019
- Calypso Mineral Resources: 31 October 2019.
- McCalls Mineral Resources: 20 May 2022 – "Mineral Resources Update McCalls Mineral Sands Project"

All of the above announcements are available on the Company's website at www.imageres.com.au. The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of reporting of Ore Reserves and Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which any Competent Person's findings are presented have not been materially modified from the original market announcement.

This report includes information that relates to Mineral Resources for non-material mining projects of the Company which were prepared and first disclosed under JORC Code 2004. The information was extracted from the Company's previous ASX announcements as follows:

- Regans Ford Mineral Resources: 20 February 2017 (released 21 February 2017)
- Gingin South Mineral Resources: 21 July 2011
- Red Gully Mineral Resources: 9 March 2011

All of the above announcements are available on the Company's website at www.imageres.com.au. The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of reporting of Ore Reserves and Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which any Competent Person's findings are presented have not been materially modified from the original market announcement. *This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.*

Information in this report that relates to:

- Exploration Results for EYRC01, EYRC02, EYRC03, EYRC04, EYRC05 and EYRC06 were extracted from the Company's ASX Release dated 18 September 2018 - 20m Shallow Gold Intersection at IMA Erayinia Prospect;
- Exploration Results for EYRC07 through and including EYRC23 were extracted from the Company's Quarterly Report dated 23 July 2019 for the Quarter Ending 30 June 2019;

- Exploration Results for EYRC24, EYRC25, EYRC26 and EYRC27 were extracted from the Company's ASX Release dated 2 March 2021 – Image Resources Gold Farmin: Thick Supergene Zone Identified;
- Exploration Results for EYRC28 through EYRC49, EYRC52 through EYRC55 and including EYRC58 were extracted from the Company's ASX Release dated 26 July 2021 – King Gold Prospect Farmin Drilling Delivers High Grade Intersection of 10m at 8.4g/t from 40m; and
- Exploration Results for EYAC003 through EYAC083 and EYRC59 through EYRC 137 were extracted from the Company's ASX Release dated 18 January 2023 – Gold Mineralisation Expands North and Erayinia-King Project.

All of the above market announcements are available on the Company's website at www.imageres.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and confirms that the form and context in which any Competent Person's findings are presented have not been materially modified from the original market announcements.

Historical Erayinia-King Project Exploration Results were prepared and reported under JORC Code 2004 and the reporting of those results may not conform to the requirements in the JORC Code 2012. The Competent Person, Mr Sakalidis, has not done sufficient work [on what? Suggests he is inexperienced!]to disclose the Exploration Results in accordance with JORC Code 2012. It is possible that, following further evaluation and/or exploration work, the confidence in the prior reported Exploration Results may be reduced. Nothing has come to the attention of the Company that causes it to question the accuracy or reliability of the Exploration Results.

APPENDIX 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

IMAGE RESOURCES NL

ABN

57 063 977 579

Quarter ended ("current quarter")

31/12/2022

<u>Consolidated statement of cash flows</u>		Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		40,151	173,446
1.2 Payments for			
(a) exploration & evaluation		(1,478)	(5,231)
(b) development		-	-
(c) production		(26,839)	(108,450)
(d) staff costs		(903)	(3,139)
(e) administration and corporate costs		(566)	(2,772)
(f) rehabilitation costs		(2,707)	(7,011)
1.4 Interest received		23	58
1.5 Interest and other costs of finance paid		(609)	(1,258)
1.6 Income taxes paid		(1,150)	(14,139)
1.7 Government grants and tax incentives			
1.8 Other (provide details if material)		28	60
1.9 Net cash from / (used in) operating activities		5,950	31,564

2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities			
(b) tenements		(1,325)	(37,389)
(c) property, plant and equipment		(3,064)	(12,303)
(d) exploration & evaluation			
(e) investments			
(f) other non-current assets			

**MINING EXPLORATION ENTITY OR OIL AND GAS EXPLORATION ENTITY QUARTERLY CASH
FLOW REPORT**

<u>Consolidated statement of cash flows</u>		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment	3	3
	(d) investments		
	(e) financial derivatives		
2.4	Dividends received (see note 3)		
2.5	Other – Purchase of hedges	(228)	(228)
2.6	Net cash from / (used in) investing activities	(4,614)	(49,917)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	3,529
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(27)
3.6	Repayment of borrowings		
3.8	Dividends paid	-	(12,770)
3.9	Other – Employee share plan loan repayment	16	996
3.10	Net cash from / (used in) financing activities	16	(8,272)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	53,224	79,840
4.2	Net cash from operating activities (item 1.9 above)	5,950	31,564
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(4,614)	(49,917)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	16	(8,272)

**MINING EXPLORATION ENTITY OR OIL AND GAS EXPLORATION ENTITY QUARTERLY CASH
FLOW REPORT**

<u>Consolidated statement of cash flows</u>		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(1,121)	240
4.6	Cash and cash equivalents at end of period	53,455	53,455

5.	<u>Reconciliation of cash and cash equivalents</u> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	53,439	53,208
5.2	Call deposits	16	16
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	53,455	53,224

6.	<u>Payments to related parties of the entity and their associates</u>	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1 – Directors Fees	302
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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FLOW REPORT**

7.	<u>Financing facilities</u> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements	140	140
7.3	Other (please specify)	-	-
7.4	Total financing facilities	140	140
7.5	Unused financing facilities available at quarter end		Nil
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	<u>Estimated cash available for future operating activities</u>	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	5,950
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	5,950
8.4	Cash and cash equivalents at quarter end (item 4.6)	53,455
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	53,455
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	N/A
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Not applicable	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: Not applicable	

**MINING EXPLORATION ENTITY OR OIL AND GAS EXPLORATION ENTITY QUARTERLY CASH
FLOW REPORT**

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

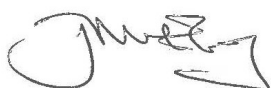
Answer: Not applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2023



Authorised by: Mr John Clark McEvoy, CFO

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
6. By the Company lodging this Appendix 5B, the Managing Director and CFO declare that the Appendix 5B for the relevant quarter:
 - presents a true and fair view, in all material respects, of the cashflows of the Company for the relevant quarter and is in accordance with relevant accounting standards;
 - the statement given above is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
 - the Company's financial records have been properly maintained and the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.