

5 March 2018

IMAGE ISSUES CONTRACT FOR CONSTRUCTION OF BOONANARRING SITE ENTRY INTERSECTION

Image Resources NL (ASX: IMA) (“Image” or “the Company”) is pleased to advise the Company is finalising the issue of a contract to BMD Constructions for the construction of the site entry road intersection for its **100%-owned, high-grade, zircon-rich Boonanarring Mineral Sands Project located in the infrastructure-rich North Perth Basin**, located 80km north of Perth, Western Australia.

The issue of this contract will be the first project construction related contract for Boonanarring, signalling the impending start of site activities, in line with the Company’s continuing focus to fast-track the development of the Boonanarring project.

This contract authorises BMD Constructions to immediately finalise its planning, and schedule mobilisation to Boonanarring to initiate construction of a new site entry intersection between Wannamal Road West and the planned site entry road. This move reflects the confidence of the Board of Directors in the Company’s efforts to finalise the overall project capital funding for the development of Boonanarring.

The decision to issue this contract comes on the heels of an announcement on 27 February 2018 by Iluka Resources Limited (Iluka), that Iluka will increase its Zircon Reference Price by nearly 15% to US\$1,410 per tonne effective 1 April 2018. This price increase further enhances the overall economics of the Boonanarring project in that:

1. Iluka’s price for premium grade zircon in China will be used to determine the market price for Image’s HMC product;
2. This new zircon price is 8% higher than the zircon price forecast in Image’s BFS for pricing its HMC product to be produced and sold in 2018; and
3. Zircon represents more than 70% of total revenue from the Boonanarring Project.

For further information, please contact:

Patrick Mutz

Managing Director

+61 8 9485 2410

info@imageres.com.au

www.imageres.com.au