

24 September 2018

IMAGE RESOURCES' BOONANARRING PROJECT: COUNTDOWN TO COMMISSIONING

Image Resources NL (ASX: IMA) ("Image" or "the Company") is pleased to advise that through the end of August 2018, construction of an open cut mine and processing facility at the Company's 100%-owned, high-grade, zircon-rich Boonanarring mineral sands project **remains on budget and on schedule for the start of project commissioning in 4th QTR 2018**. Boonanarring is located 80km north of Perth in the infrastructure-rich North Perth Basin in Western Australia.

Wet Concentration Plant Construction

Construction of the wet concentration plant (WCP) and associated plant and equipment and infrastructure at Boonanarring continues on schedule and on budget, despite record rainfall during the winter months and especially in August. This achievement is a testament to the solid performance of the planning, engineering, construction and project management teams and their focused efforts to deliver the processing plant in time for commissioning in the 4th QTR 2018. The project was 75% complete at the end of August and the countdown begins for the start of wet commissioning currently scheduled for 1 November.

WCP site civil works, concrete foundations and erection of major structural items were completed in July and installation of the spiral separators and associated pumps, piping and equipment were well advanced at the end of August.

The final heavy structural component of the slimes thickener (rake bridge) and the flocculent make-up units were installed in early September (Photos 1). This completes the majority of the structural and mechanical components for the WCP and thickener, with the focus now shifting to the piping, electrical and instrumentation components.



Photo 1: WCP construction looking northwest

Tailings Facilities

Construction of the tailings facilities to support project commissioning, ramp-up and early stages of production is nearing completion.



Ancillary Facilities

Construction of ancillary facilities is also progressing in accordance with plan and budget. The process water storage ponds have been constructed and lined, and a second water bore has been installed and will be commissioned before the end of September (Photo 2).

Image's permanent administration office has been delivered and will be commissioned in late September. The mining contractor's permanent maintenance workshop is under construction and its permanent administration offices have been delivered and are being commissioned.



Photo 2: Process Water Storage Ponds and Water Bore No. 2

Ore Feed Preparation Plant

The major components of the ore feed preparation plant (FPP) arrived in early September and have been assembled on an earthen pad located within the western pit wall of the mine, between the mine and the WCP. The FPP consists of a newly constructed ore feed and rock screening unit, an ore scrubber unit, an oversize stacking conveyor and a trommel screen and ore slurry unit (Photo 3) to deliver ore slurry feed to the WCP.



Photo 3: Ore Feed Preparation Plant

Open-Cut Mine Construction

Removal of overburden for the initial box cut of the mine continues to advance according to plan. Mining contractor Piacentini and Son mobilised additional equipment and personnel to the site in August. The arrival and commissioning of the second Hitachi 3600 excavator and additional Cat 785 and 777 trucks provided a further ramp-up of the overburden removal rate (Photo 4).

August was reported to be the highest rainfall August in the Gingin area for more than 50 years; and overall this winter was the wettest in 15 years. Despite the significant wet weather conditions and work interruptions, mine construction was well-advanced at the end of August and exposure of first high grade ore is scheduled to occur in early October 2018.

Initial lower grade ore, located in the layer of mineralisation overlying the high-grade strand ore, was exposed on 23 August and panning confirmed the approximate expected heavy mineral grades (Photo 5). Plans are to utilise this lower grade ore for WCP commissioning before switching to the higher grade main strand ore.



Photo 4: Overburden Removal with Hitachi 3600 Excavators



Photo 5: Panning to confirm Heavy Mineral content of ore

Brand Highway Modifications

Modifications to the Brand Highway intersection with Wannamal Road West were started and advanced substantially in August. Modifications include the construction of an acceleration lane and a passing lane for transport trucks carrying heavy mineral concentrate south on the Brand Highway to the port at Bunbury. Construction is anticipated to be complete by mid-November 2018.

Aerial Drone Video

An aerial drone video showing up-to-date site-wide construction progress at Boonanarring as at 21 September has been uploaded to Image's website and can be accessed at www.imageres.com.au.

Boonanarring Project Background Information

The Boonanarring Project is arguably one of the highest heavy mineral (HM) grade, high-zircon, undeveloped projects in Australia. Image completed a bankable feasibility study in May 2017 and finalised funding for the project in May 2018. Project construction started in April 2018 and first production is scheduled to occur in 4th QTR 2018. The Company is fully funded to complete the development of the project, including funds for corporate overhead and exploration expenditures through to positive cashflow, forecast to occur at the end of 1st QTR 2019.

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