

27 November 2018

IMAGE RESOURCES COMMENCES TRANSPORT OF BOONANARRING HMC TO PORT STORAGE

Image Resources NL (ASX: IMA) (“Image” or “the Company”) is pleased to advise the Company has completed another project development milestone with the **commencement of transport of heavy mineral concentrate (HMC)** from its 100%-owned, high-grade, zircon-rich Boonanarring mineral sands project located 80km north of Perth in the infrastructure-rich North Perth Basin in Western Australia.

Wet commissioning at Boonanarring commenced on 25 October 2018 and first production of HMC was announced on 19 November. While the project is officially still in the wet commissioning phase, HMC production has been sufficiently positive to warrant the start of truck transport of HMC to the Bunbury port area for storage prior to ship loading. Road transport and storage is being conducted by Qube Bulk Pty Ltd, the owner of the newly-constructed, purpose-built HMC storage shed located 5 minutes from the Bunbury port in Picton. The first bulk shipment of HMC is scheduled to depart in December 2018.



First Boonanarring HMC being loaded for transport to storage near Bunbury Port

Wet commissioning has been progressing ahead of schedule and is anticipated to be deemed complete at the end of November 2018, followed by the start of the processing ramp-up phase, on the way to achieving steady-state production.



Qube's HMC Storage Shed in Picton, WA

Managing Director Patrick Mutz commented, "The Boonanarring project team continues to score goals as it begins to transport HMC product to storage near the Bunbury port, in anticipation of achieving its next major milestone of completing the first bulk shipment of HMC, and by doing so, receiving first project revenue before Christmas. The team's diligent efforts have been rewarded with a significantly higher than anticipated ore processing rate during these early days of project commissioning."

The Company remains committed to achieving its next key project development milestones including receipt of first revenue (now one month early) in December 2018 and achievement of positive project cash flow at the end of 1st QTR 2019.

Forecast production and financial guidance for 2019 will be announced following finalisation and approval of the 2019 budget in December.

Boonanarring Project Background Information

The Boonanarring Project is arguably one of the highest heavy mineral (HM) grade, zircon-rich, mineral sands development 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 wet commissioning commenced in October 2018. The Company is fully funded to finalise project development, including funds for corporate overhead and exploration expenditures through to positive cashflow, forecast to occur at end of 1st QTR 2019.

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