



IMAGE
RESOURCES

Australia's newest mineral sands miner

Boonanarring Mineral Sands Project

100%-owned; high-grade; zircon-rich

80km north of Perth in Western Australia

On-track for positive cashflow end 1st QTR 2019

Annual General Meeting of Shareholders

1 May 2019

West Perth, WA



Patrick Mutz

Managing Director

Image Resources NL

ASX: IMA

Disclaimer and Forward-Looking Statements



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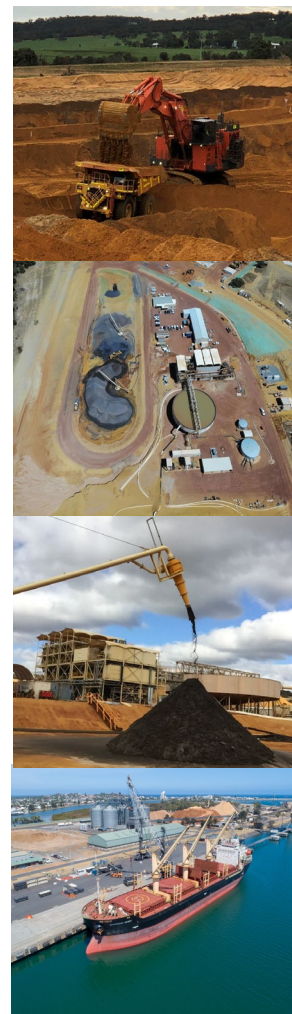
Accessing the information contained in this presentation implies an acknowledgement that you have read and understood the above disclaimer and qualifications regarding forward-looking statements.

Information regarding the calculation of ore reserves and mineral resources in this presentation (if any), and the consents provided by the respective Competent Persons is presented at the end of this presentation. For additional information and details on the content of this presentation, please refer to the ASX releases on the Company's website.

Investor Snapshot

Company transitioning to profitable miner and realisation of full valuation

- **Project construction and commissioning completed 'on-schedule' and 'on-budget'**
- **Production commenced 1 Dec 2018**
- **Ramp-up to full production in 2nd month of operations**
- **Completed first full quarter of operations (March 2019)**
 - **HMC Production 167% of budget**
 - **Ore Grade 176% of budget**
 - **Project Operating Costs 72% of budget**
 - **Operating Margin and EBITDA 400% of budget**



Company transitioning to profitable miner at a time of supply shortage of zircon

- **Zircon grade in ore 129% of budget**
- **Zircon = 84% of revenue**
- **Revenue \$24.8 million**
- **Net Profit After Tax \$0.94M vs budgeted loss of \$4.5M**
- **Share price \$0.20¹**
- **Market capitalisation A\$192M¹**



© geology.com
Rough zircon grains

Products and Applications

Key products are zircon and titanium dioxide

- **Zircon sand is processed into zirconium compounds, intermediate products and zirconium metal for a variety of applications;**



- Ceramics (tiles); 55% demand



- Foundry Sands (castings); 14%

- Refractories (furnace linings); 10%



- Chemicals (gem stones, nuclear reactors); 14%

- Others; 7%

Qualities
whitener
opacifier
heat resistant
abrasion resistant
metal bio-compatible



Speciality uses include fibre optics, glass, paints, catalysts, underarm deodorants, adhesives, cosmetics, paper, dental ceramics plus many research applications.

Products and Applications

Key products are zircon and titanium dioxide

- **Titanium dioxide (TiO₂) from rutile and ilmenite is processed into titanium based products and titanium metal for a variety of applications;**



- Ultra-white pigments (paint, paper, plastic); ~90% demand
- Welding rods (flux coating);



- Titanium metal (light, strong, corrosion-resistant, bio-compatible);



- Used in aircraft, spacecraft, motor vehicles and medical implants;



Speciality uses include sunscreen, adhesives, inks, fabrics, ceramics, cosmetics, toothpaste, catalysts, and pharmaceuticals.

LOCATION

- North Perth Basin in Western Australia
- 80 km north of Perth CBD
- Proven mineral sands address
 - Including majors Iluka and Tronox
- Infrastructure rich
 - paved roads, power, gas pipeline water, telecommunications etc.
- Local communities and landowners experienced with, and accepting of, mineral sands mining.

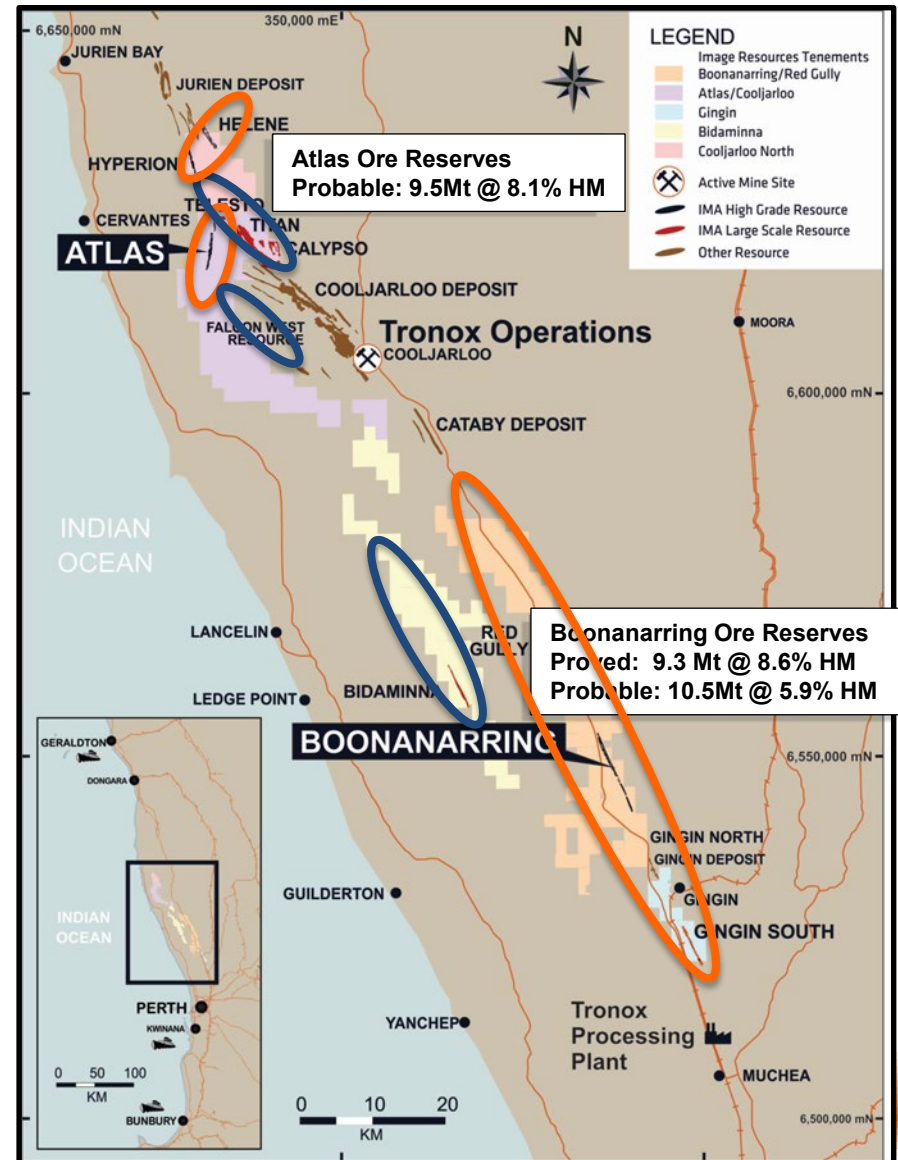


Project Types and Locations

- 1,000 km² tenements portfolio
- 100% focus on mineral sands
- Strandline projects (dry mining)
- Dredge mining prospects

Multiple opportunities for a second stand-alone mining project within the current 100%-owned tenement package.

Bidaminna is high on priority list.



Ore Reserves



QUALITY ORE RESERVES

- JORC Code (2012) Compliant
- High HM, VHM and very high zircon at Boonanarring

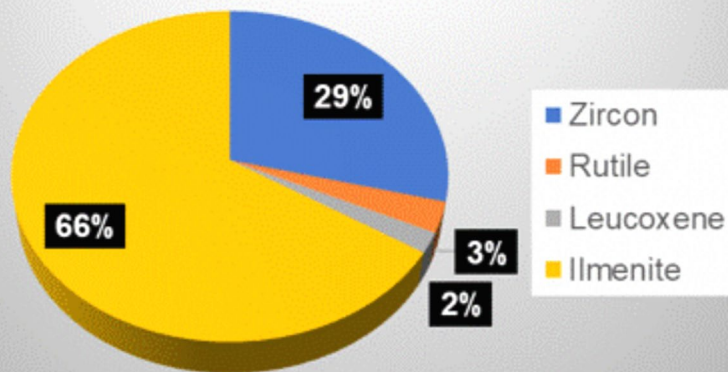
High Grade Ore Reserves - Strand Deposits; in accordance with the JORC Code (2012)											
Project/Deposit	Category	Volume	Tonnes	% HM	% Slimes	HM Tonnes	VHM (%)	Ilmenite (%)	Leucoxene (%)	Rutile (%)	Zircon (%)
Boonanarring ¹	Proved	5,008,000	9,344,000	8.6	14.3	803,771	76.081	48.9	1.8	2.2	23.2
Boonanarring ¹	Probable	5,565,000	10,514,000	5.9	17.6	622,429	78.653	52.3	1.8	2.7	21.9
Total Boonanarring		10,573,000	19,858,000	7.2	16.1	1,426,200	77.203	50.4	1.8	2.4	22.7
Atlas ¹	Probable	5,000,000	9,477,000	8.1	15.5	767,637	73.3	50.7	4.5	7.5	10.6
Total Atlas		5,000,000	9,477,000	8.1	15.5	767,637	73.3	50.7	4.5	7.5	10.6
Total Ore Reserves		15,573,000	29,335,000	7.5	15.9	2,193,837	75.8	50.5	2.7	4.2	18.4

1. COMPLIANCE STATEMENT - Boonanarring/Atlas Ore Reserves

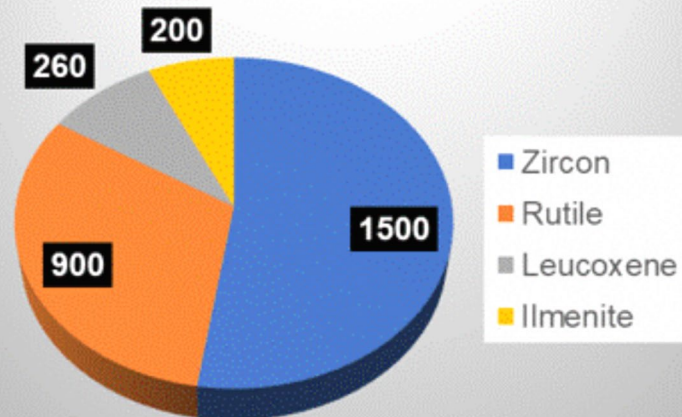
The Ore Reserves statement has been compiled in accordance with the guidelines of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code – 2012 Edition). The Ore Reserves have been compiled by Jarrod Pye, Mining Engineer and full-time employee of Image Resources, under the direction of Andrew Law of Optiro, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Law has sufficient experience in Ore Reserves estimation relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Mineral Resources and Ore Reserves”. Mr Law consents to the inclusion in the report of the matters compiled by him in the form and context in which it appears.

Products and Prices

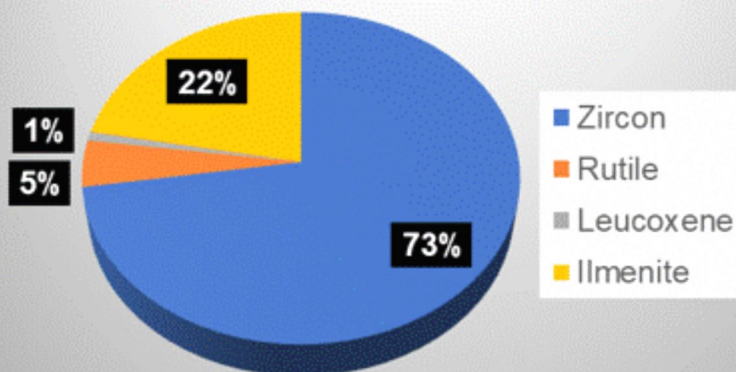
% in VHM



US\$/tonne



% of Revenue



Notes: VHM assemblages and commodity prices are estimates based on Boonanarring project heavy mineral concentrate product.



Target Production Rate

Base Assumptions

- Start mining at Boonanarring
- Dry, open-cut mining
- Production rate - 500 dry tonnes per hour
 - 3.7M dry tonnes per year
- Conventional gravity separation using spirals
- Product: Heavy Mineral Concentrate (HMC)
 - Production rate: avg. approx. 240K tonnes/annum
 - Truck to Bunbury for bulk shipments to China

Punches 4 times above its weight*!

** -Equivalent in revenue to
2,000 tonnes per hour at
Ore grades of
3% HM in ore and
10% zircon in VHM*

Average annual production at Boonanarring (5 yrs)

- 240k tonnes HMC; containing;
 - 60kt zircon (70kt/year in 2019-20)
 - 130kt ilmenite
 - 6kt rutile
 - 4kt leucoxene
- 5.5 years mine life with potential to add 3-4 years additional ore reserves

Boonanarring – 2019 Guidance



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2019 CY Production and Profitability Guidance^{1,2}

	2019 Guidance	2020 Forecast
<u>Production</u>		
Ore processed (million tonnes)	3.4-3.7	3.6-3.8
HMC ³ produced (000 tonnes)	220-240	280-300
HMC sold (000 tonnes)	220-240	280-300
<u>Costs (AU\$)</u>		
Project operating costs ⁴ (million)	\$85-95	\$85-95
Cost per tonne HMC	\$385-420	\$310-330
<u>Revenue (AU\$)</u>		
Total revenue (million)	\$125-142	\$180-200
Project EBITDA⁴ (AU\$ million)	\$40-50	\$90-110
USD:AUD Fx	0.74	0.74

8% HM Ore Grade

11% HM Ore Grade

**Jan-Mar 2019
actual ore grade
11.1% HM**

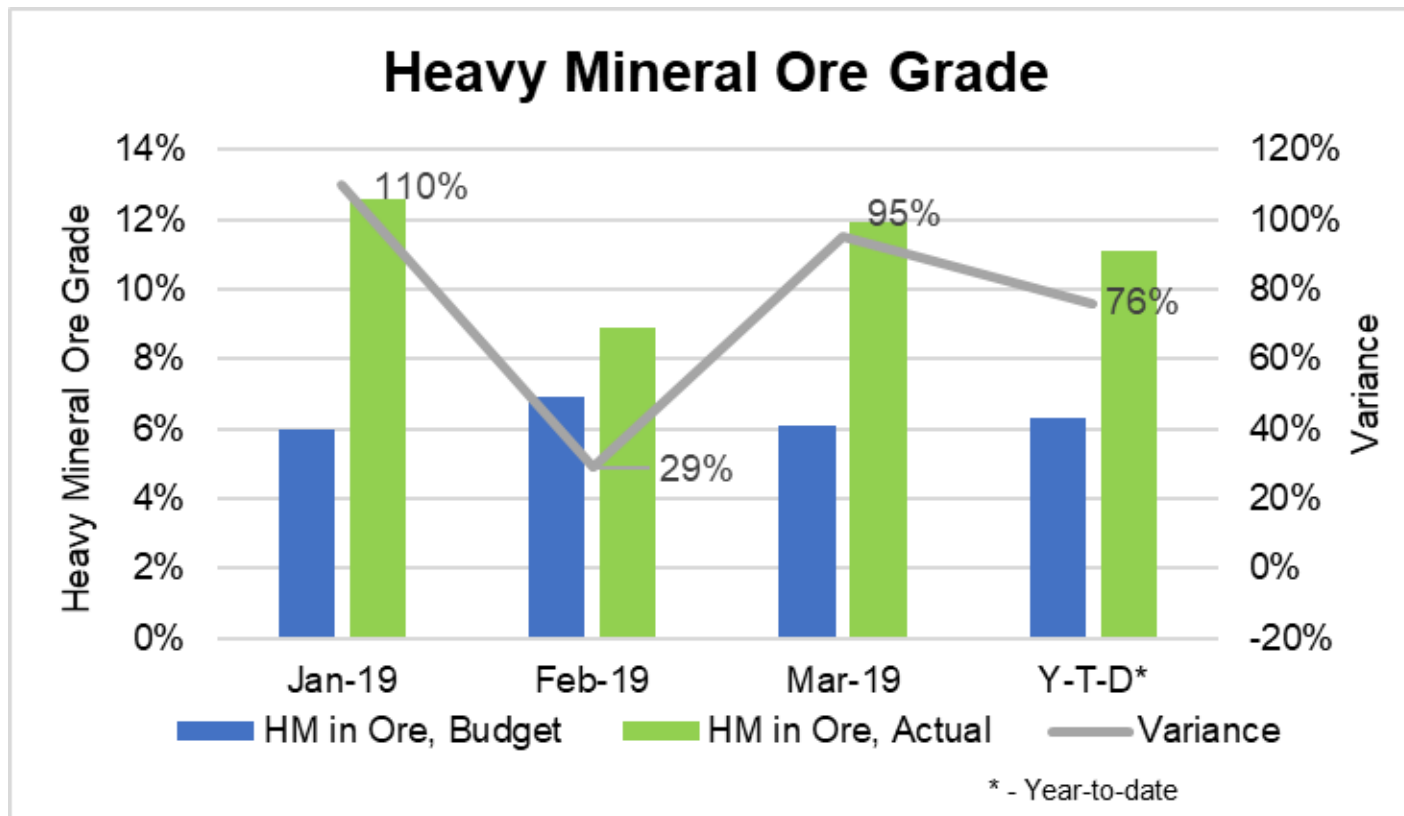
Notes: 1. To be read in conjunction with Disclaimer and Forward-Looking Statements.

2. Information derived from Image 2017 Bankable Feasibility Study (announced to ASX 30 May 2018) and as subsequently updated for commodity prices and foreign exchange rate (announced to ASX 28 June 2018) but with other material assumptions underpinning the 2017 BFS unchanged.

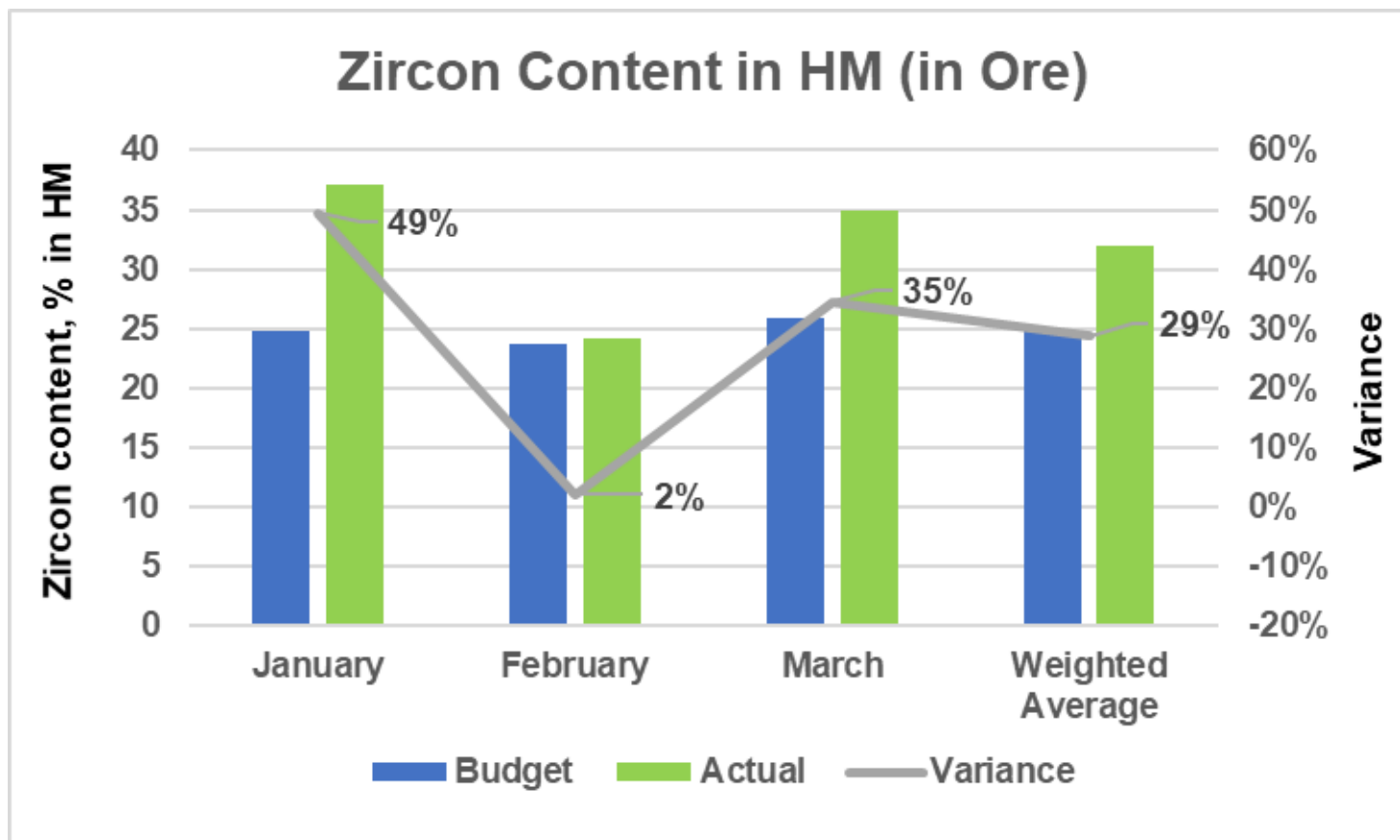
3. Heavy Mineral Concentrate product.

4. Non-IFRS Financial Information: This document contains non-IFRS unaudited financial measures including Project operating costs and Project EBITDA. Image management considers these to be key financial performance indicators used to measure underlying operational performance. Project operating costs include costs incurred in producing HMC at the Boonanarring Project plus logistics costs but exclude corporate and exploration costs, depreciation/amortisation, financing costs and income tax. Project EBITDA is calculated as revenue from sale of HMC less Project Operating Costs.

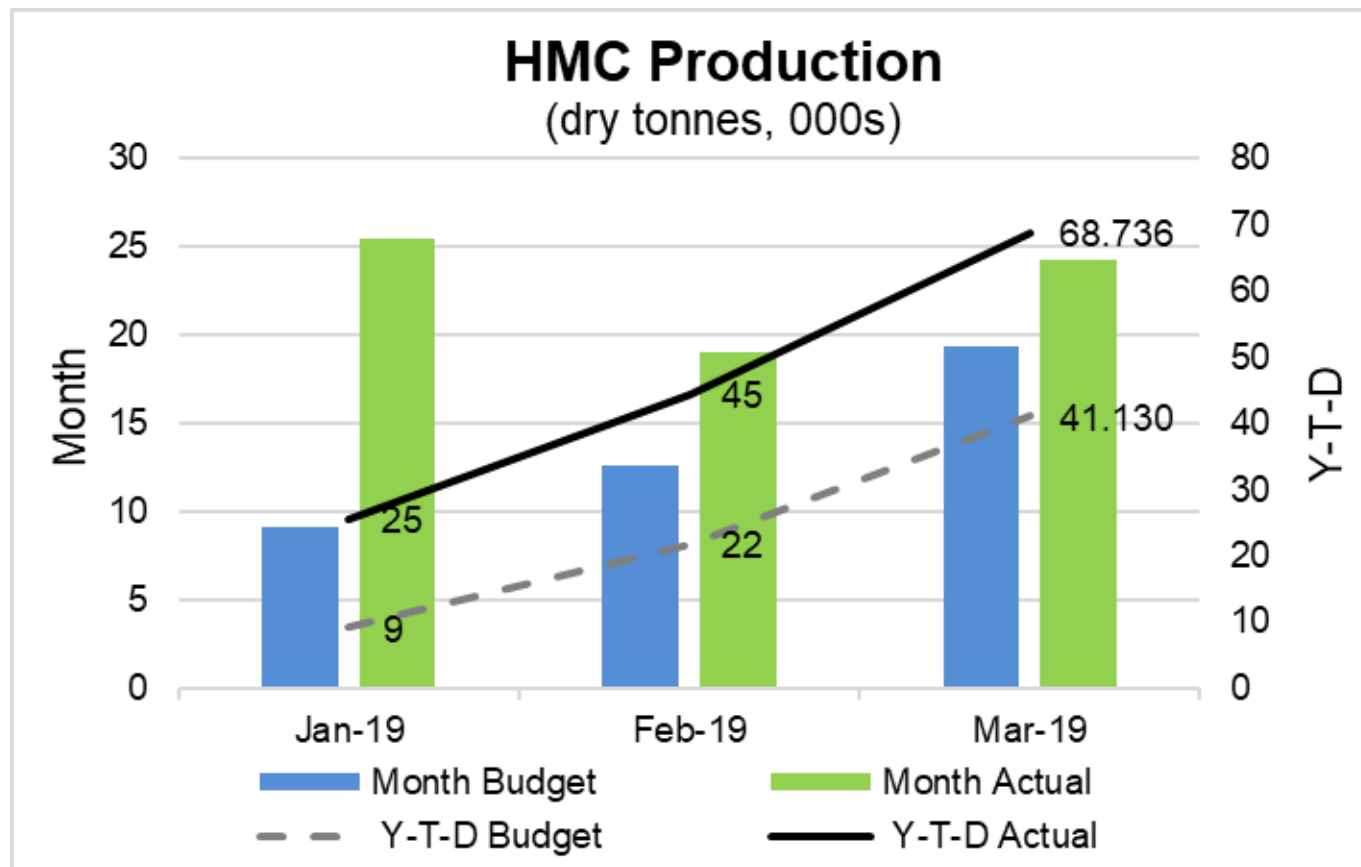
Boonanarring – HM Ore Grade



Boonanarring – Zircon Grade in Ore HM



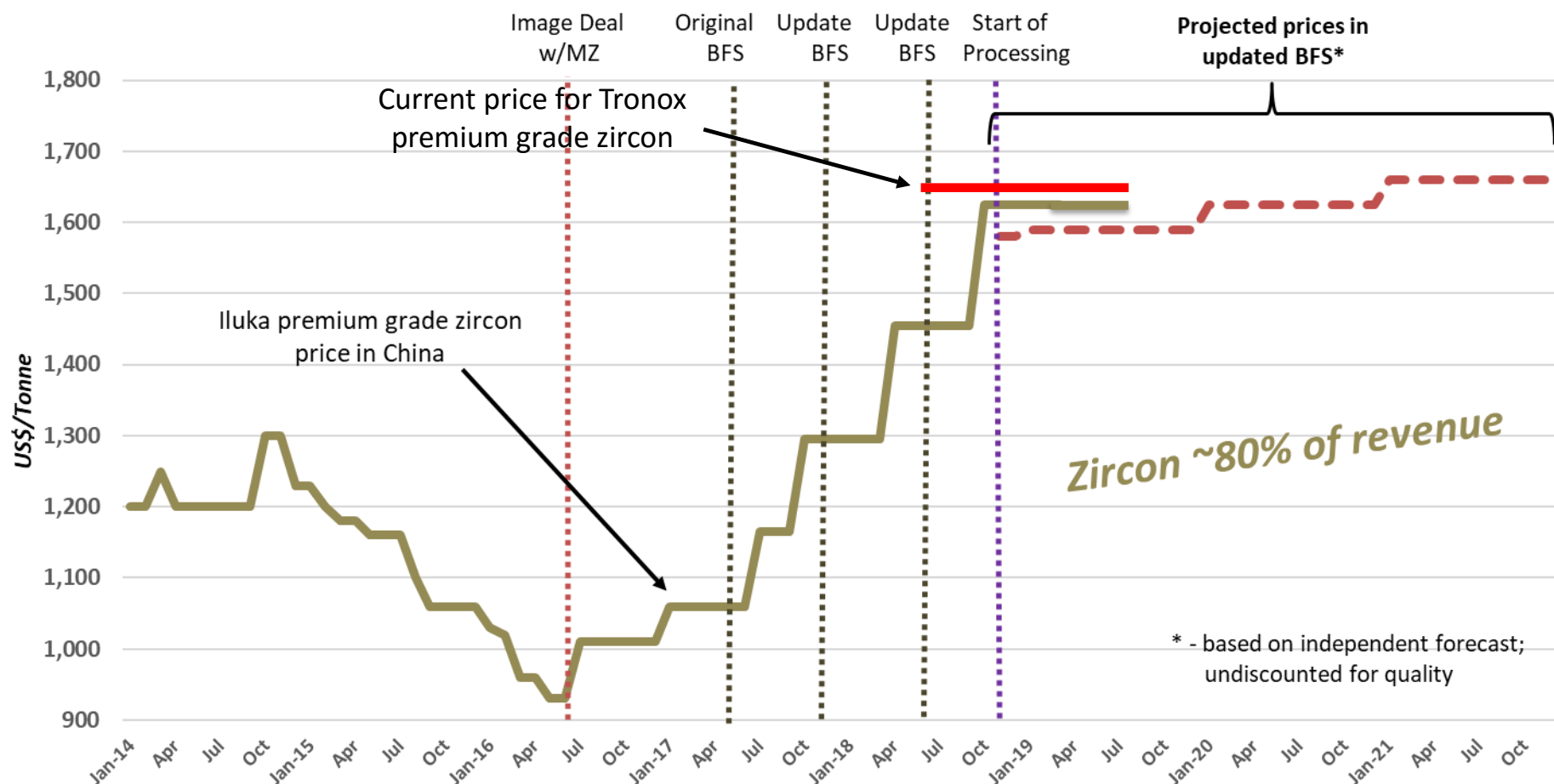
Boonanarring – HMC Production





Zircon Prices – Actual and Forecast

Actual Zircon Prices and BFS Price Assumptions



Sources: CNFEOL commodity pricing website by subscription (www.cnfeol.com) and Image Updated BFS announced to ASX 28 June 2018.



Upside Potential



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Upside potential at and near Boonanarring

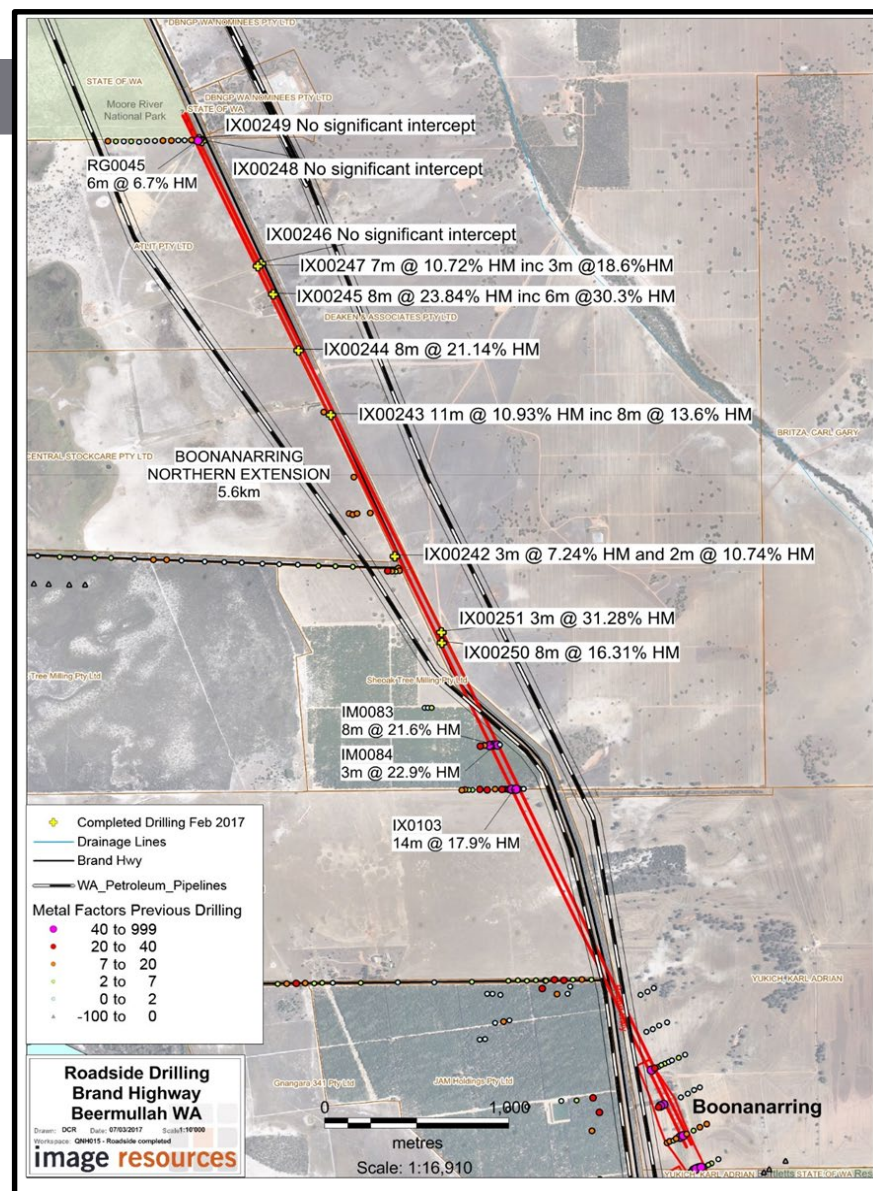
- Confirmed potential to extend mine life with high grade mineralisation (ASX announcement 13 March & 26 June 2017);
 - Assuming mineralisation in extension area is identical to known Ore Reserves in all aspects and economics; **two years of additional mine life could add AU\$60M to project NPV.**
- Potential to process lower grade overlying layer of mineralisation;
- Potential to process ores from several other deposits with high grade mineral resources in the vicinity;
 - Red Gully, Regans Ford, and Gingin (South and North).

Boonanarring High-Grade Extension

ASX - 13 March & 26 June 2017

New Drilling Results (Feb 2017)

- Confirm 5.6km northern extension of Boonanarring mineralisation
 - Outstanding high grade intersections:
 - 8m @ 23.8% HM in IX00245
 - 8m @ 21.1% HM in IX00244 and
 - 8m @ 16.3% HM in IX00250
- Importantly with high grade zircon:
- 21.5% Zr in HM in IX00245 & 247
 - 22.1% Zr in HM in IX00243 & 244
 - 16.4% Zr in HM in IX00242, 250, 251

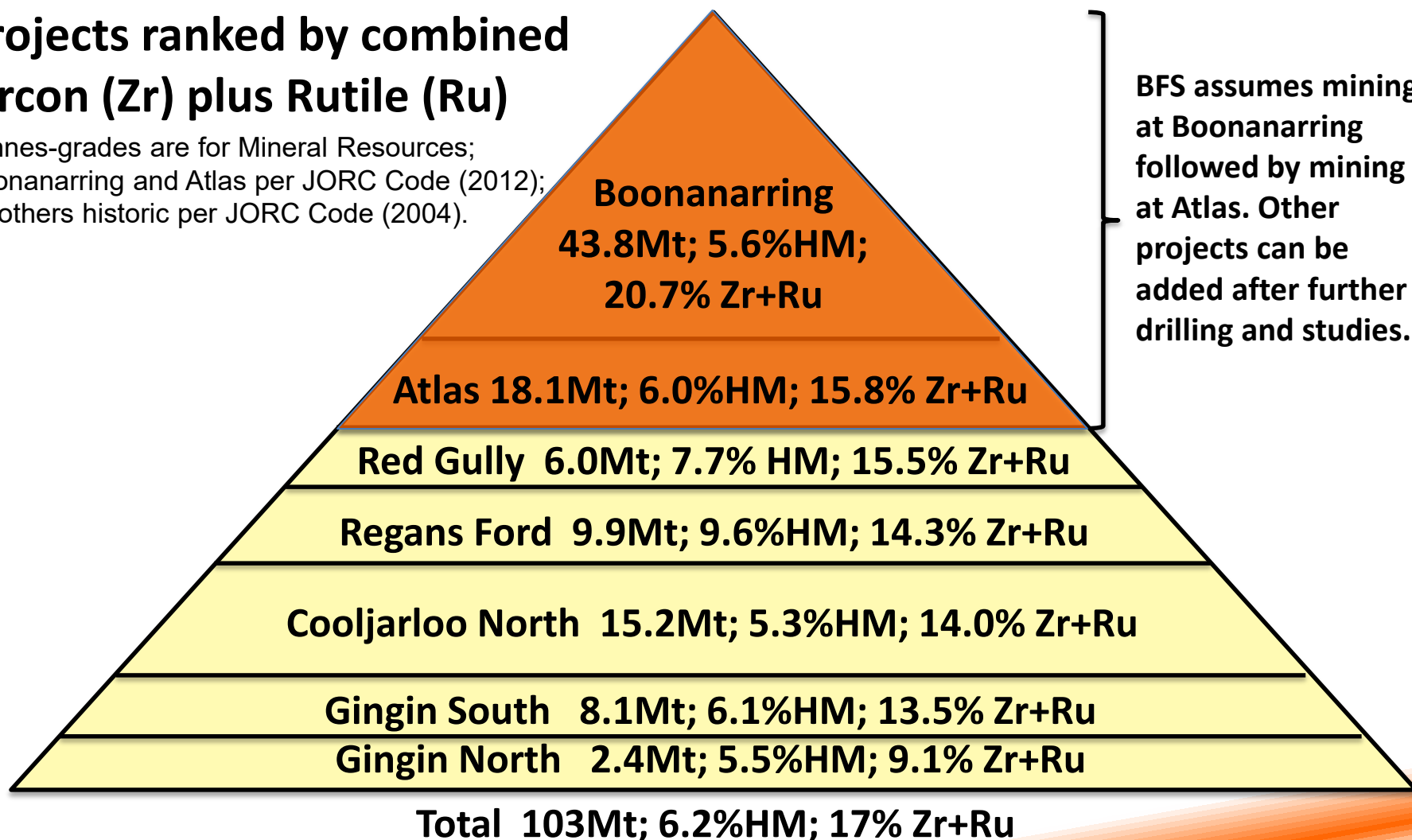


Projects Pyramid – Strand Deposits

Mineral Resources – Accessible by Dry Open-Cut Mining

Projects ranked by combined Zircon (Zr) plus Rutile (Ru)

Tonnes-grades are for Mineral Resources;
Boonanarring and Atlas per JORC Code (2012);
All others historic per JORC Code (2004).



Projects Pyramid – Dredge Prospects

Mineral Resources – Accessible by Dredge Mining

Projects ranked by HM Grade

Tonnes-grades are for historic Mineral Resources per JORC Code (2004).

Bidaminna
45Mt; 3.0%HM;
6.5% Zr+Ru

Positive attributes

- 90+%VHM;
- <5% slimes;
- 25-67% Leucoxene;
- 100Mt exploration target.

Potential focus for
2nd operating centre.

Titan-Telesto 140Mt; 1.9%HM; 12.8% Zr+Ru

Calypso 51Mt; 1.7% HM; 15.9% Zr+Ru

Total 236Mt; 2.1%HM; 11.5% Zr+Ru

Potential Royalty from Tronox

Royalty agreement in place as of 2014

- Small cash payment (already received)
- Sliding-scale royalty on production

<u>Avg. HM Grade</u>	<u>Royalty</u>
2.5%	1.25%
3.0%	2.50%
3.5%	3.75%
4.0%	5.00%

- Indefinite production schedule
- Potential for future arrangements with Tronox or others based on large area of potential dredge mining mineralisation within Image's tenements in the vicinity of Tronox's historic dredge operations.

 Tronox historic mining area
 Image-Tronox royalty area

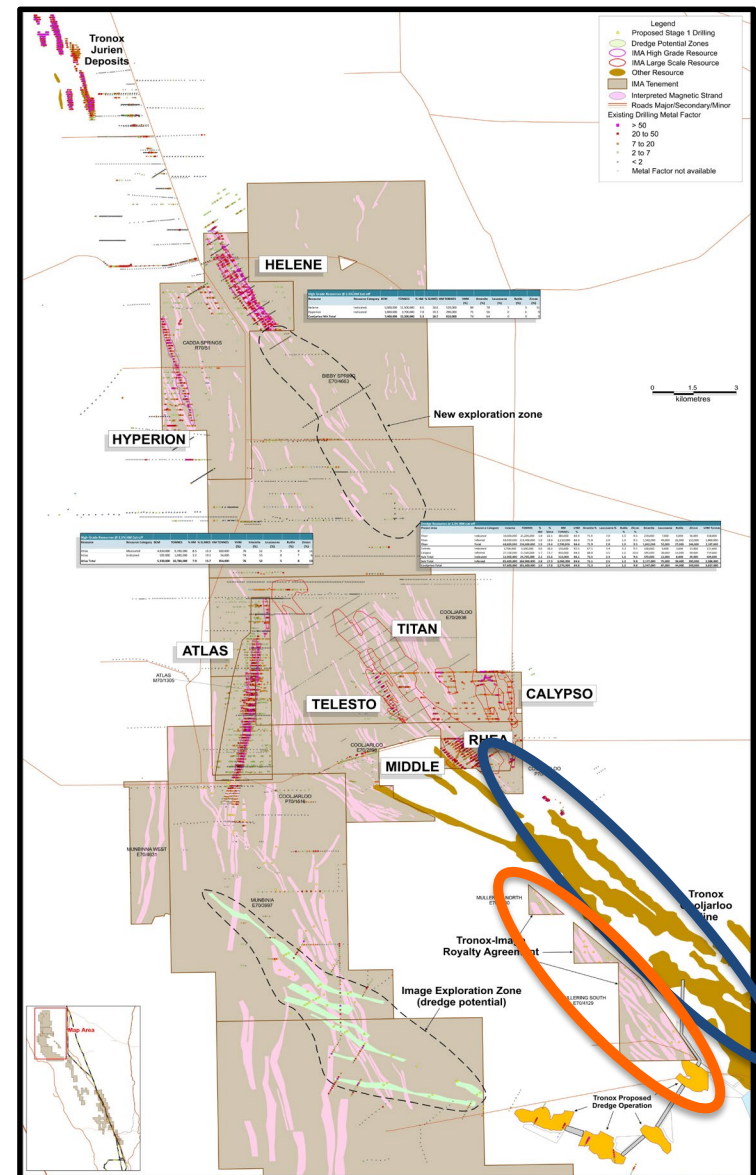


Image Corporate Snapshot



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Diverse and experienced Board and Management

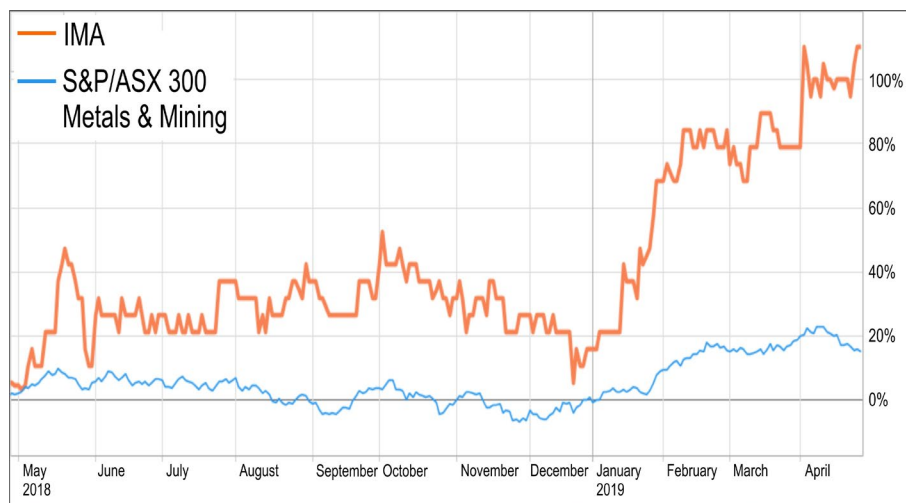
ASX Code: **IMA**
Share Price: A\$0.20*
12-Month Price Range: A\$0.10– 0.21
Shares on Issue: 964m
Market Cap: A\$192m*
Cash on hand: A\$7.4m**
Debt: A\$65.1m***
Enterprise Value: A\$250m
Top 20 Shareholders: 69%

Board of Directors

Bob Besley – Independent Chairman
Patrick Mutz – Managing Director
Chaodian Chen - Non-Executive Director
Aaron Chong Veoy Soo – Non-Executive Dir
George Sakalidis – Executive Director
Peter Thomas – Non-Executive Director
Fei (Eddy) Wu – Non-Executive Director
Huang Cheng Li – Non-Executive Director

Key Management

Patrick Mutz – CEO
John McEvoy – Chief Financial Officer
Todd Colton – Chief Operating Officer
George Sakalidis – Exploration Director



* - as at 29 April 2019

** - as at 31 March 2019 (includes term deposits)
and excludes \$10m from HMC shipment #3)

*** - as at 31 March 2019

Use of Solar Energy

Heads of Agreement with **Sunrise Energy Group Pty Ltd** to provide 3-4 MW_{AC} solar farm to be:

- Constructed and operated by Sunrise Energy;
- Located on Image owned land adjacent to Boonanarring mine site; and
- Providing 25% of total electricity requirements for mine and processing operations.



Additional information regarding Heads of Agreement announced to ASX on 23 April 2018.

For further information

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