

13 January 2020

IMAGE RESOURCES MEETS CY2019 GUIDANCE AND UPDATES GUIDANCE FOR CY2020

Image Resources NL (ASX: IMA) ("Image" or "the Company") is pleased to report preliminary December 2019 Quarterly production and sales results were in line with expectations and the Company has met 2019 Calendar Year (CY) guidance which was increased twice during the year. This completes Image's first full year of operations at its 100%-owned, high-grade, zircon-rich Boonanarring Mineral Sands project located 80km north of Perth in Western Australia.

Table 1. Preliminary December Quarterly and CY2019 Results

	Dec QTR	CY2019	CY2019 Guidance
HMC ₁ Production (kt)	68.6	270.0	260-280
HMC Sales (kt)	62.5	237.5	230-250

Notes: 1 – Heavy mineral concentrate.

In addition to solid production results, the Company's net cash position has further improved with unaudited cash at the end of December increasing to A\$50m and debt reducing to A\$56m, and following-on from the release of an updated Ore Reserve in December, the Company has updated its production guidance for 2020 and forecast for 2021.

Table 2. Updated CY2020 Guidance and CY2021 Forecast

	Prior CY2020 Guidance	CY 2020 Guidance	CY 2021 Forecast
HMC Production (kt)	280-300	300-330	300-330

Managing Director and CEO Patrick Mutz said *"It is pleasing to report preliminary results for our inaugural full year of operations that meet guidance and representations to our shareholders and the market and we look forward to our second year of operations and opportunities to further grow the value of the Company."*

In 2020 we will seek to build upon our operational successes by prioritising the addition of new Ore Reserves from existing and new Mineral Resources, while maintaining profitable operations and striving for continuous improvement of our safety, environmental protection and community support programmes.

We have already commenced a robust and systematic exploration program which is designed to extend the mine life at Boonanarring and we are focusing on areas within economic pumping distance of the existing Wet Concentrate Plant. We will also continue to assess opportunities to add further incremental value to our high-quality HMC product."

The December 2019 Quarterly Report is scheduled to be released later this month which will include operational details and further information with respect to 2020 Guidance.

Boonanarring Project Background Information

The Boonanarring Project is arguably one of the highest heavy mineral grade, zircon-rich, mineral sands projects in Australia. Construction and project commissioning were completed

on-time and on-budget in 2018. Production commenced December 2018 and HMC production ramped-up to exceed name-plate capacity in only the second month of operation (January 2019). The Company achieved profitability in Q1'19, was cashflow positive in Q2'19 and has completed four full quarters of successful operations with performance exceeding targets in all major categories, including significantly higher HMC production and lower operating costs than forecast. CY2019 market guidance was increased in July and again in October. Image is focused on maintaining strong operational performance and identifying additional Mineral Resources and Ore Reserves, initially, within economic pumping distance of the current wet concentration plant, to extend the mine life at Boonanarring.

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