

ASX Code: IMA
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9km of parallel targets adjacent to the Boonanarring Deposit

HIGHLIGHTS

A strategic review of ground magnetic data topography and previous drilling has identified:

- 9km of new strand targets delineated within 400 to 800m west of the Boonanarring Deposit;
- 6.4km of infill and extension targets directly south of the 9.5 km Boonanarring Deposit;
- A new large dredging exploration target¹ with the potential for 100-110mt averaging 3-4% HM extending north of the Bidaminna Deposit 44Mt @3%HM.

Boonanarring West

Recent interpretation of drilling and ground magnetic surveys has highlighted 9km of NNW targets between 400m and 800m west of the Boonanarring Deposit (Fig.2) some of which are within a new tenement called Boonanarring West (E70/4689). Botanical surveys and a programme of work (POW) for 70 AC holes are being prepared as part of a drilling programme in early January. Infill ground magnetics is also being planned to help with the siting of extra holes and help understand areas closer to the scarp where some surface laterite obscures and/or complicates the mineral sand signatures. The close proximity of these new targets to the Boonanarring deposit augers well for the potential to add significant extra mine life.

Boonanarring South

¹ It is important to note that these estimates are conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

In addition 74 AC holes for both infill and extension drilling over a 6.4km distance is being planned directly south of the 9.5km long Boonanarring Deposit (Fig.2). The infill drilling is designed to look for higher grades in the vicinity of some drill intersections including 5m@7.2% HM from 39m in hole GG1019 Easting 389983mE Northing 6542860mN and 11m @ 4.5% HM from 31m in hole GG977 Easting 389452mE Northing 6544040mN. Whilst the extension drilling is within new areas where sparse historical drilling has been completed along the scarp, where laterite noise is common. A POW has already been approved for this work. All the drilling costs for the planned 144 hole AC programme have been pre-paid by a placement to a major WA drilling company. This programme is designed to assist Image to build a 10 year mine life at Boonanarring.

Bidaminna Project

Extensive interpretation of historical drilling, Image drilling and ground magnetics has shown that the lower mineralised zone is much more extensive than previously thought. The Bidaminna Resource 44Mt@3 % HM is 5.3km long and ranges from 100 to 300m in width (Fig. 4 and Table 2). Seven composites have been sent for analysis of the Zircon, Rutile, Ilmenite and Leucoxene contents across 3 sections through the Bidaminna Deposit.

The current interpretation shows the Exploration Target is 11.2km in length and ranges from 600 to 1300m in width. The Exploration Target (not including the Bidaminna Resource) is estimated to contain between 100-110Mt with potential to contain 3.0Mt to 5.8Mt of contained HM (based on a range of 3 or 4% HM).

The Bidaminna Resource and Exploration Target are amenable to large volume dredge mining as it has very low slime content around 3.6%. As a result of this very encouraging interpretation Image has picked up a new tenement called Mimegarra (E 70/4779) totalling 56 sq. km. The total North Perth Basin tenements now total 1200 sq. km (Fig. 3).

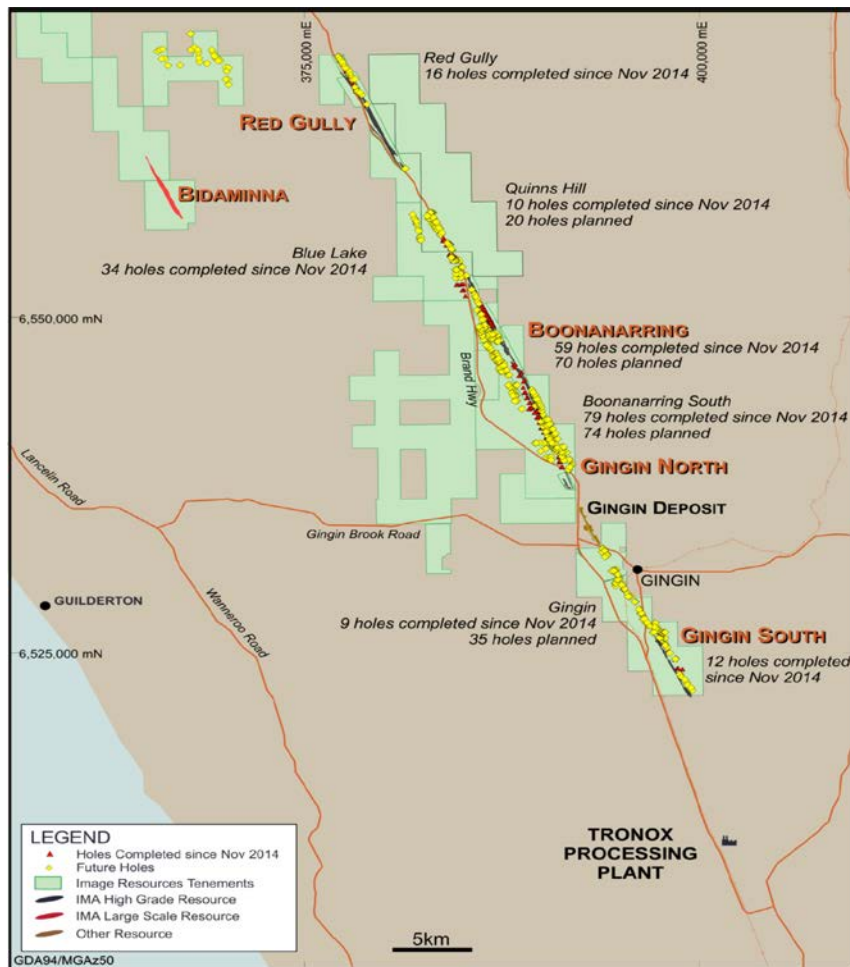


Figure 1 Drilling programmes completed and planned on Image Resources Gingin to Red Gully region in the North Perth Basin

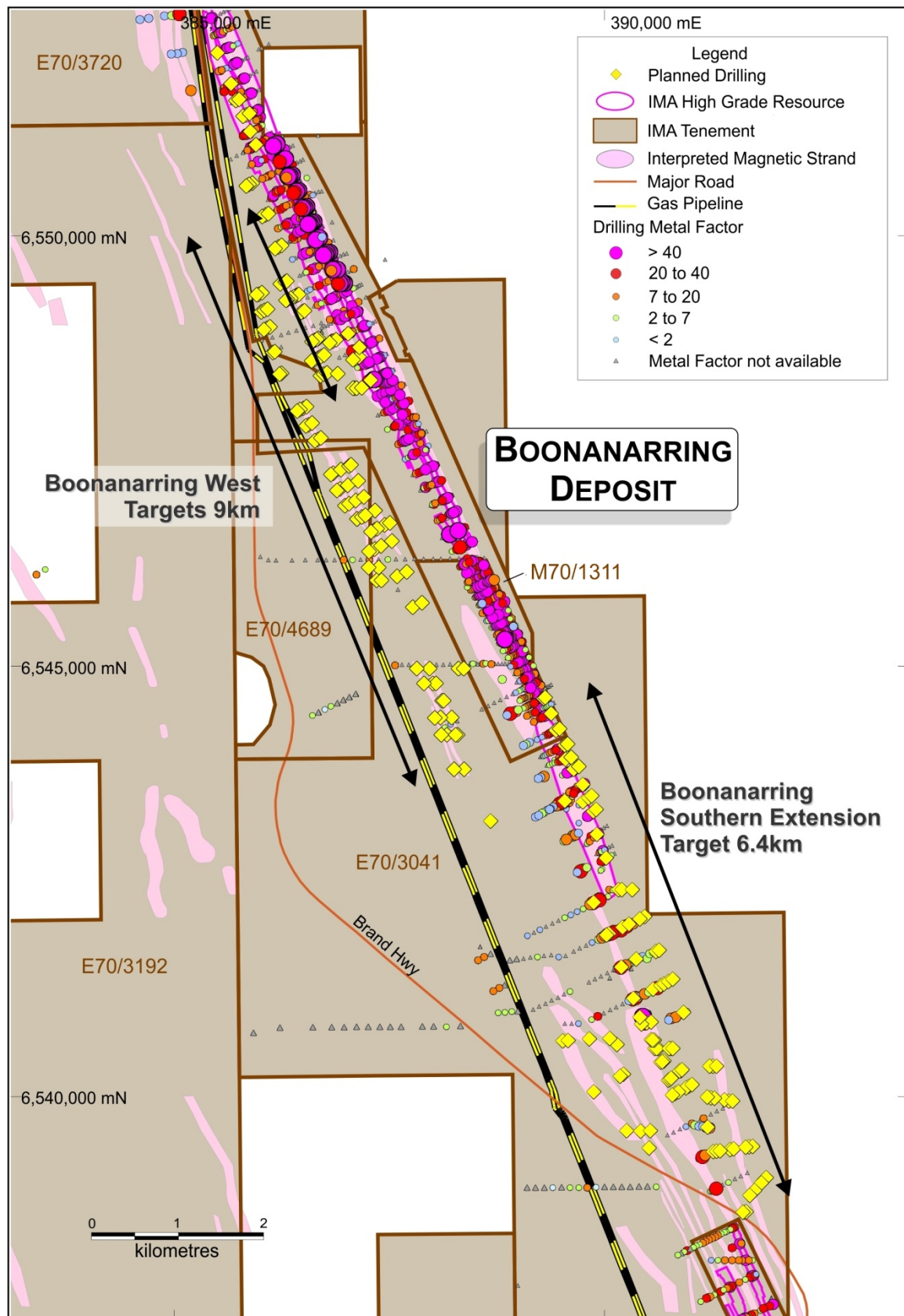


Figure 2 Boonanarring West and Boonanarring southern extension planned drilling

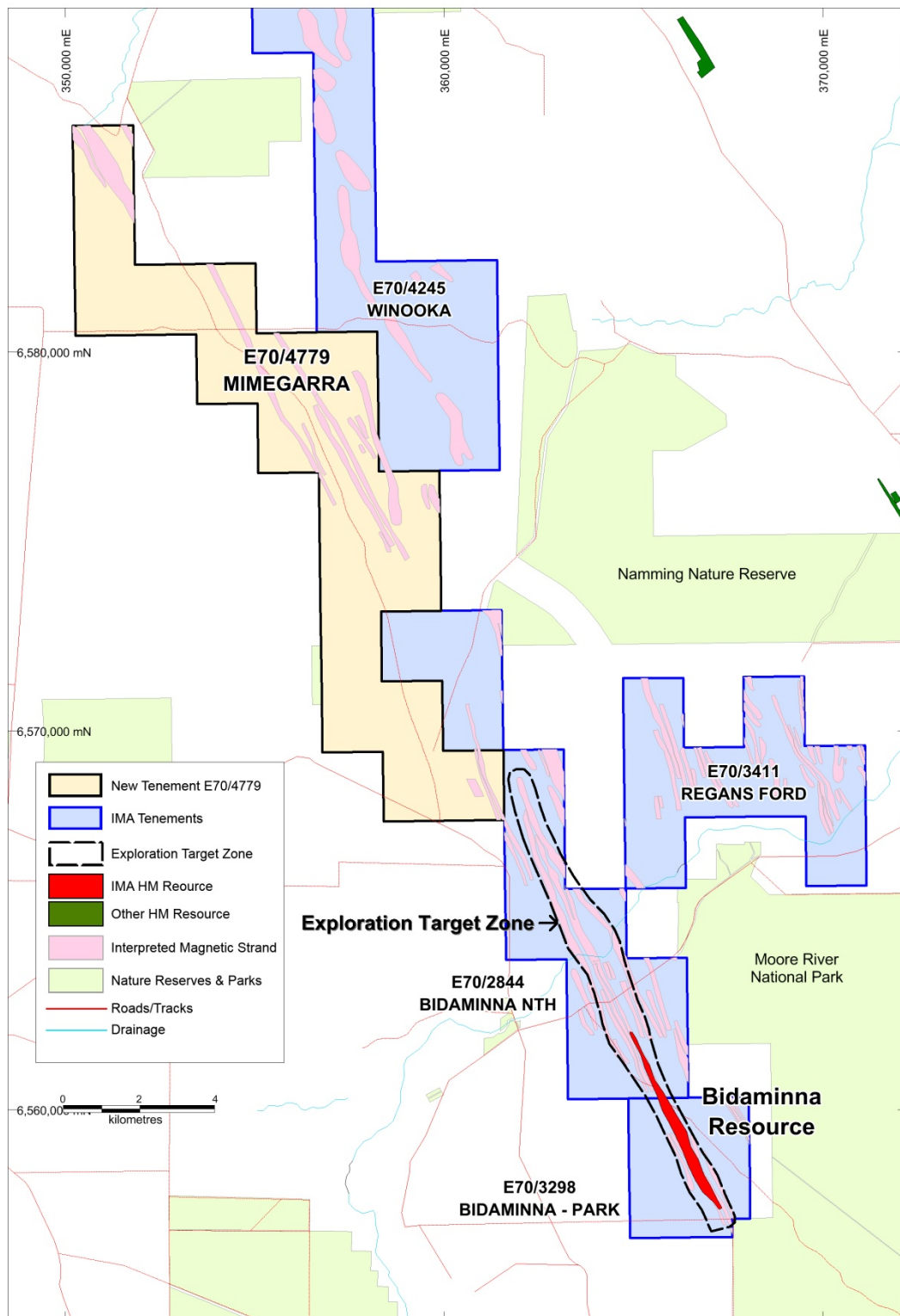


Figure 3 Bidaminna Project with new Mimegarra Tenement

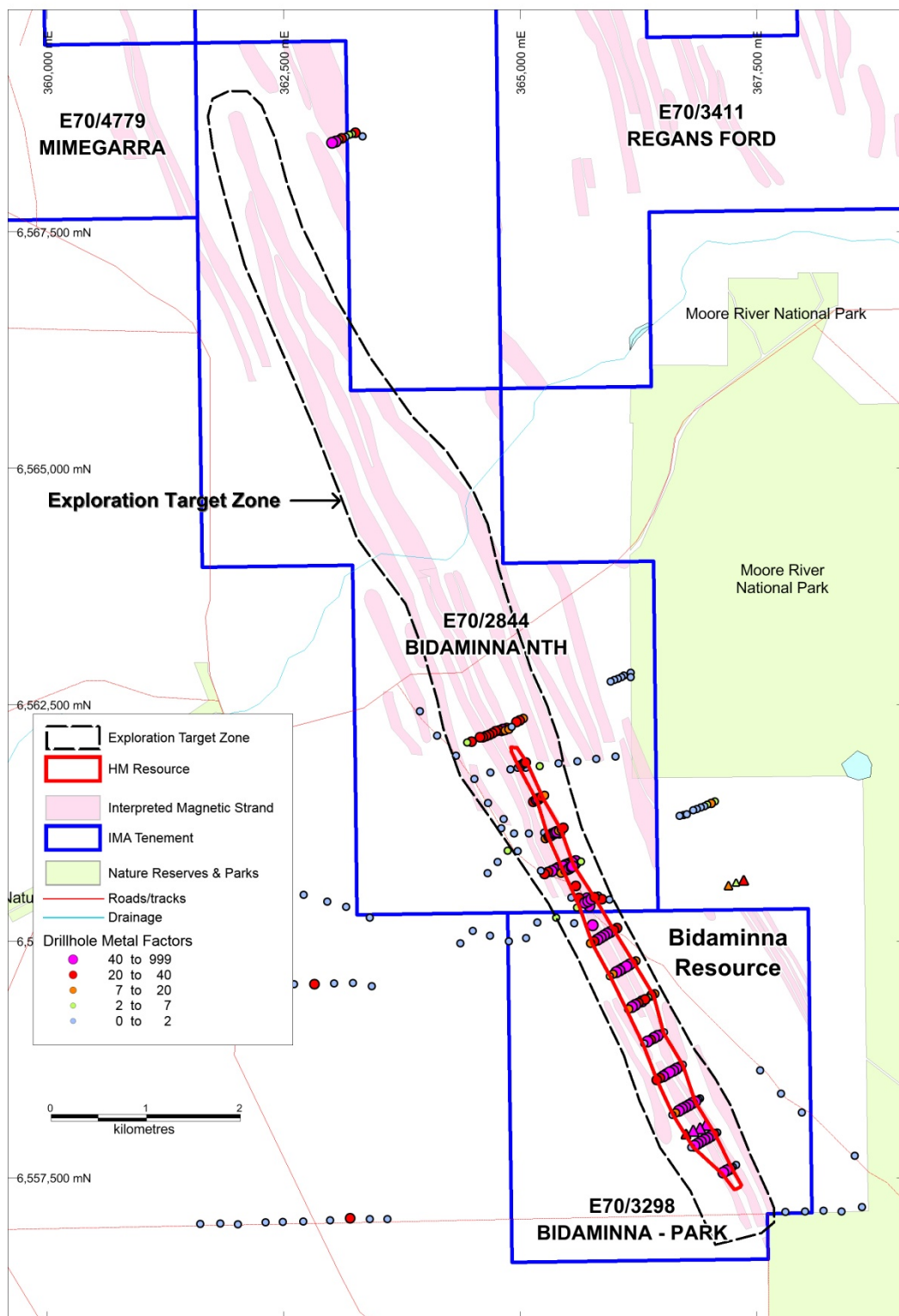


Figure 4 Bidaminna Resource and Exploration Target

Project	# Holes likely	Metres likely
Boonanarring South	74	2,960
Gingin	35	700
Quinns Hill	20	960
Boonanarring	70	2,520
Woolka Dredge	40	1,200
Total	239	8,340

Table 1 Drilling Summary

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COMPETENT PERSON'S STATEMENT – EXPLORATION RESULTS AND MINERAL RESOURCES AND RESERVES

Information in this report that relates to Exploration Results, Mineral Resources is based on information compiled by George Sakalidis BSc (Hons) who is a member of the Australasian Institute of Mining and Metallurgy. At the time that the Exploration Results, Mineral Resources and Mineral Reserves were compiled, George Sakalidis was a director of Image Resources NL. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. George Sakalidis consents to the inclusion of this information in the form and context in which it appears in this report.

COMPETENT PERSON'S STATEMENT – RESOURCE ESTIMATES

The information in this report that relates to mineral resources and is based on information compiled by Lynn Widenbar BSc, MSc, DIC MAIG, MAusIMM employed by Widenbar & Associates who is a consultant to the Company. Lynn Widenbar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Lynn Widenbar consents to the inclusion of this information in the form and context in which it appears in.

FORWARD LOOKING STATEMENTS

Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the mining industry, expectations regarding prices, exploration or development costs and other operating results, growth prospects and the outlook of Image's operations contain or comprise certain forward looking statements regarding Image's operations, economic performance and financial condition. Although Image believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

Accordingly, results could differ materially from those set out in the forward looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes that could result from future acquisitions of new exploration properties, the risks and hazards inherent in the mining business (including industrial accidents, environmental hazards or geologically related conditions), changes in the regulatory environment and other government actions, risks inherent in the ownership, exploration and operation of or investment in mining properties, fluctuations in prices and exchange rates and business and operations risks management, as well as generally those additional factors set forth in our periodic filings with ASX. Image undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

Table 2 Reserve and Resource Summary

Reserve Summary											
Project Area	Category	Volume	Tonnes	% HM	% SLIMES	HM Tonnes	VHM (%)	Ilmenite (%)	Leucoxene (%)	Rutile (%)	Zircon (%)
Boonanarring	Probable	7,160,000	14,420,000	8.3%	17.0%	1,190,000	80.3%	46.9%	5.5%	3.3%	24.5%
Atlas	Probable	4,760,000	9,600,000	8.1%	15.5%	780,000	74.1%	55.0%	1.0%	7.0%	11.0%
Total NPB Reserve		11,920,000	24,020,000	8.2%	16.4%	1,970,000	77.8%	50.1%	3.7%	4.8%	19.1%
Mining Inventory (incl Inferred)		13,330,000	26,880,000	8.0%	16.5%	2,135,000	78.3%	50.1%	4.2%	5.1%	19.0%

High Grade Resources @ 2.5% HM Cut-off											
Resource	Resource Category	BCM	TONNES	% HM	% SLIMES	HM TONNES	VHM (%)	Ilmenite (%)	Leucoxene (%)	Rutile (%)	Zircon (%)
Atlas	Measured	4,810,000	9,700,000	8.5	15.3	820,000	76	52	5	8	11
Atlas	Indicated	520,000	1,080,000	3.2	19.2	34,000	74	53	8	7	6
Atlas Total		5,330,000	10,780,000	7.9	15.7	854,000	76	52	5	8	10
Boonanarring	Measured	1,680,000	3,000,000	7.8	10.1	230,000	70	49	1	3	17
Boonanarring	Indicated	7,000,000	14,300,000	9	17.2	1,270,000	80	49	6	3	22
Boonanarring	Inferred	2,100,000	4,200,000	6.5	17.4	270,000	83	51	8	7	18
Boonanarring Total		10,780,000	21,500,000	8.3	16.2	1,770,000	79	49	6	4	21
Gingin Nth	Indicated	680,000	1,320,000	5.7	15.7	80,000	75	57	9	3	5
Gingin Nth	Inferred	580,000	1,090,000	5.2	14	60,000	78	57	11	4	6
Gingin Nth Total		1,260,000	2,410,000	5.5	15	140,000	77	57	10	3	6
Gingin Sth	Measured	870,000	1,530,000	4.4	7.2	67,000	79	51	15	6	8
Gingin Sth	Indicated	3,240,000	5,820,000	6.5	7.1	380,000	91	68	10	5	8
Gingin Sth	Inferred	400,000	730,000	6.5	8.4	48,000	92	67	8	6	11
Gingin Sth Total		4,510,000	8,080,000	6.1	7.3	495,000	89	65	10	5	8
Helene	Indicated	5,600,000	11,500,000	4.6	18.6	520,000	84	70	1	3	11
Hyperion	Indicated	1,800,000	3,700,000	7.8	19.3	290,000	71	56	0	6	9
Cooljarloo Nth Total		7,400,000	15,200,000	5.3	18.7	810,000	79	64	0	4	9
Red Gully	Indicated	1,930,000	3,410,000	7.8	11.5	270,000	90	66	8	3	12
Red Gully	Inferred	1,455,000	2,570,000	7.5	10.7	190,000	90	66	8	3	12
Red Gully Total		3,385,000	5,980,000	7.7	11.2	460,000	90	66	8	3	12
Grand Total		32,665,000	63,950,000	7.1%	13.9%	4,529,000	80	57	6	5	13

Dredge Resources at 1.0% HM cut-off																
Project Area	Resource Category	Volume	TONNES	% HM	% Slime	HM TONNES	VHM %	Ilmenite %	Leucoxene %	Rutile %	Zircon %	Ilmenite	Leucoxene	Rutile	Zircon	VHM Tonnes
Titan	Indicated	10,300,000	21,200,000	1.8	22.1	380,000	84.4	71.9	2.0	1.0	9.5	270,000	7,000	5,000	36,000	318,000
Titan	Inferred	58,500,000	115,400,000	1.9	18.9	2,210,000	84.3	71.8	2.0	1.0	9.5	1,592,000	45,000	22,000	210,000	1,869,000
Titan	Total	68,800,000	136,600,000	1.9	19.4	2,590,000	84.4	71.9	2.0	1.0	9.5	1,862,000	52,000	27,000	246,000	2,187,000
Telesto	Indicated	1,700,000	3,500,000	3.8	18.4	130,000	82.6	67.5	3.4	2.2	9.5	100,000	5,000	3,000	13,000	121,000
Calypso	Inferred	27,100,000	51,500,000	1.7	13.7	850,000	84.6	68.8	3.5	1.6	10.6	585,000	30,000	14,000	90,000	719,000
Sub Total	Indicated	12,000,000	24,700,000	2.1	21.6	510,000	86.1	72.5	2.4	1.6	9.6	370,000	12,000	8,000	49,000	439,000
Sub Total	Inferred	85,600,000	166,900,000	1.8	17.3	3,060,000	84.6	71.1	2.5	1.2	9.8	2,177,000	75,000	36,000	300,000	2,588,000
Cooljarloo Total		97,600,000	191,600,000	1.9	17.8	3,570,000	84.8	71.3	2.4	1.2	9.8	2,547,000	87,000	44,000	349,000	3,027,000
Bidaminna	Inferred	26,300,000	44,600,000	3.0	3.6	1,350,000	96.0	82.4	7.2	1.0	5.4	1,113,000	97,000	13,000	73,000	1,296,000
Total Dredge		123,900,000	236,200,000	2.1	15.1	4,920,000	84.3	65.6	4.6	2.9	11.3	3,660,000	184,000	57,000	422,000	4,323,000

1 Refer to the 31 May 2013 release <http://www.asx.com.au/asxpdf/20130531/pdf/42g6v9v0jxn3hg.pdf> for full details of the Boonanarring Mineral Resource/Reserve Estimate for full details of the Boonanarring Mineral Resource/Reserve Estimate