

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

IMAGE RESOURCES NL

ABN

57 063 977 579

Quarter ended ("current quarter")

30/06/2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers ¹	40,104	54,865
1.2 Payments for		
(a) exploration & evaluation	(721)	(1,039)
(b) development	-	-
(c) production	(17,828)	(33,614)
(d) staff costs	(412)	(1,136)
(e) administration and corporate costs	(253)	(630)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	10	21
1.5 Interest and other costs of finance paid	(250)	(253)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	20,649	18,214

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(677)	(4,637)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material) Term Deposits greater than 90 days matured	-	-
2.6 Net cash from / (used in) investing activities	(677)	(4,637)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	1,534
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(8)	(29)
3.5 Proceeds from borrowings	-	566
3.6 Repayment of borrowings	(1,666)	(1,895)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(1,674)	176

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	7,401	11,886
4.2 Net cash from / (used in) operating activities (item 1.9 above)	20,649	18,214
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(677)	(4,637)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(1,674)	176

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(15)	45
4.6	Cash and cash equivalents at end of period ¹	25,684	25,684

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	25,669	7,386
5.2	Call deposits	15	15
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)¹	25,684	7,401

1 Excludes A\$12 million received in July for a shipment completed in June.

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	220
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	67,161	67,161
8.2 Credit standby arrangements	55	55
8.3 Other – Insurance Premium Funding Loan	566	566
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

2 Loans are held as follows:

- * Murray Zircon Pty Ltd – A\$2,500,000. This was repaid on 1 July 2019.
- * A senior secured debt facility with Pala Investments Limited (“Pala”), Castlake IV, L.P. and CL V Investment Solutions LLC of US\$38,850,000 + capitalised interest of US\$6,481,821 (A\$64,661,088 at 30 June 2019). Interest rate is 14% for the first fifteen months following draw down on 25 May 2018 and 13% thereafter for the balance of the loan. Interest for the first fifteen months is added to the loan amount and thereafter paid quarterly in arrears. Further details can be found in the announcement lodged with the ASX on 8 March 2018.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	1,000
9.2 Development	-
9.3 Production	20,000
9.4 Staff costs	700
9.5 Administration and corporate costs	600
9.6 Other – Capital	1,500
9.7 Total estimated cash outflows²	23,800

2 Cash outflows exclude forecast sales receipts.

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Refer Quarterly Report			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	Refer Quarterly Report			

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

(Director/Company secretary)

Date: 23 July 2019

Print name:Dennis Wilkins

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.