

QUARTERLY REPORT for the Quarter Ended 31 March 2009

Image Resources NL

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Issued Capital:

Shares - Quoted:
79,644,246 fully paid
shares

Options - Unquoted:
1,214,604 exercisable at
\$0.39 by 26.11.2009

2,000,000 exercisable at
\$0.37 by 21.11.2010

2,500,000 exercisable at
\$1.80 by 16.11.2011

2,200,000 exercisable at
\$2.12 by 20.11.2012

2,500,000 exercisable at
\$1.50 by 19.11.2011

1,000,000 exercisable at
\$2.38 by 26.3.2012

Directors:

Peter Thomas
Chairman
George Sakalidis
Managing Director
Roger Thomson
Executive Director

HIGHLIGHTS

- **Significant enhancement of the Atlas resource with a 900m-long high-grade zone identified averaging more than 20% HM.**
- **A significant part of the new Atlas high-grade zone lies outside the existing resource model, indicating a likely increase in grade and contained HM when the resource is updated in the June quarter.**
- **Drilling to test 45km of new targets at Gingin in progress.**
- **Ground magnetic surveys in progress on new joint ventures at Chandala and Regan's Ford South.**
- **Extensive low-grade HM mineralisation intersected at Wannamal**
- **Exploration success in the Eucla Basin with new HM mineralisation identified at Serpentine Lakes and indications of a high-value zircon-leucosene assemblage.**

NORTH PERTH BASIN

COOLJARLOO (Image 70%)

During the quarter Image carried out infill aircore drilling on the Atlas heavy mineral (HM) deposit (inferred resource 9.7 million tonnes at 5.8% HM, containing 560,000 tonnes of HM) and on nearby geophysical targets (total 471 holes, 5,081m, 3,479 samples). Laboratory processing of these samples is about 75% complete, and the resource will be updated when all results are received. The infill drilling at Atlas closes the drill spacing to approximately 200m x 20m which will upgrade the resource status from inferred to indicated and provide greater confidence in the estimation of grade and continuity of the HM mineralisation.

As recently announced (IMA ASX releases 13 March, 23 February and 3 April 2009), **a 900m-long high-grade zone has been identified, averaging more than 20% HM, up to 100m wide and 6m thick. This high-grade zone is open to the north and partly outside the existing resource model and thus likely to increase both the grade and contained HM of the resource when the model is updated.** The resource update is anticipated to be completed in the June quarter. The high grade zones are shown in Figure 1 with the drilling results tabulated in Appendix A.

Preparations for preliminary geotechnical drilling of the Atlas and Titan deposits are in hand, in order to assess the mineability of these deposits.

COOLJARLOO NORTH (Image 100%)

11 holes were drilled during the quarter to collect bulk samples for detailed mineralogical and metallurgical testwork.

GINGIN (Image 100%)

Drilling to test some 45km of geophysical targets prospective for HM commenced during the quarter.

CHANDALA (Image right to earn 80%)

Image completed 217 line km of ground geophysical surveys on this new joint venture during the quarter. Interpretation of this data is underway.

REGAN'S FORD SOUTH (Image right to earn 75%)

Image completed 78 line km of ground geophysical surveys on this new joint venture. Interpretation of this data is underway

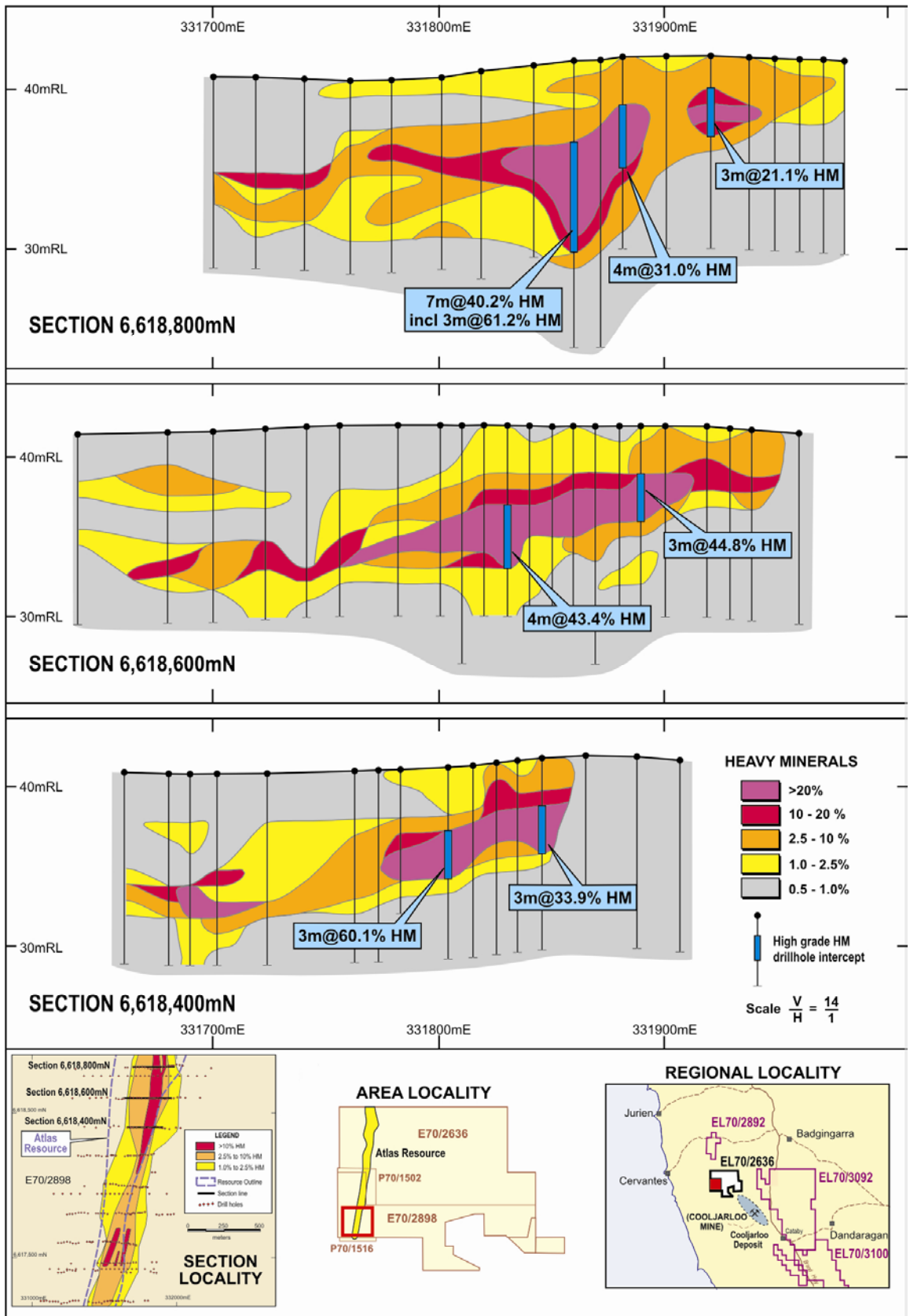


Figure 1
Cooljarloo Project-Atlas Resource-Stacked Sections

CATABY WEST (Image 100%)

9 Holes totalling 519 m were drilled on three geophysical targets, with a best intersection of 6m at 2.6% HM from 24m.

WANNAMAL (Image 100%)

16 holes totalling 577 metres were drilled on two magnetic targets and a geomorphic target. The drilling intersected extensive, thick, low grade mineralisation, with the best intersection being 20m at 1.4% from 16m. Further limited drilling is planned in a search for higher grades.

EUCLA BASIN (Image 100%)

Four areas of mineralisation have been identified at Serpentine Lakes (IMA ASX release 11 February 2009), three extending south from Diatreme Resources' Cyclone discovery and a new zone approximately 25km to the east near the South Australian border. Three of the four zones are shown in Figure 2. The three areas south of Cyclone are (from west to east) 700m, 300m and 600m wide and are interpreted to extend for at least 2.5km, 1.6km and 2.0km along strike respectively. The tenement to the south has not been explored and potential remains for extensions or repetitions of the mineralisation in this area. The fourth (eastern) area comprises two zones some 200m wide and open along strike.

Mineralisation is present in two geological zones; the main zone is interpreted to be a typical shoreline style with low slime (4% within the mineralisation), well sorted sands and HM grades up to 13%. The low slime content is important as it indicates potential for low cost mining with good recoveries. The second zone is slightly deeper and interpreted to be a near-shore environment within silt and fine sand with an average slime content of about 8% and with HM grades up to 4%. The drilling results are summarised in Appendix B.

Diatreme recently reported (DRX ASX release 10 March 2009) that the mineral assemblage of the Cyclone mineralisation, which extends 2.5 km into the Image tenements, comprises:

Mineral	% Mass	% Mass Range
Zircon	33	18-42
Rutile	12	5-24
Leucoxene	27	14-43
Altered Ilmenite	17	4-30
Others	11	n/a

A further 1000 samples from Serpentine Lakes have been selected for laboratory processing. When processing is complete, Image will undertake its own mineralogical assessment, and there is every expectation that the high value Cyclone assemblage will extend on to the Image tenements.

Infill drilling of the Cyclone extension is expected to commence in the June quarter 2009 together with further drilling on the new discovery in the eastern part of Image's tenements.

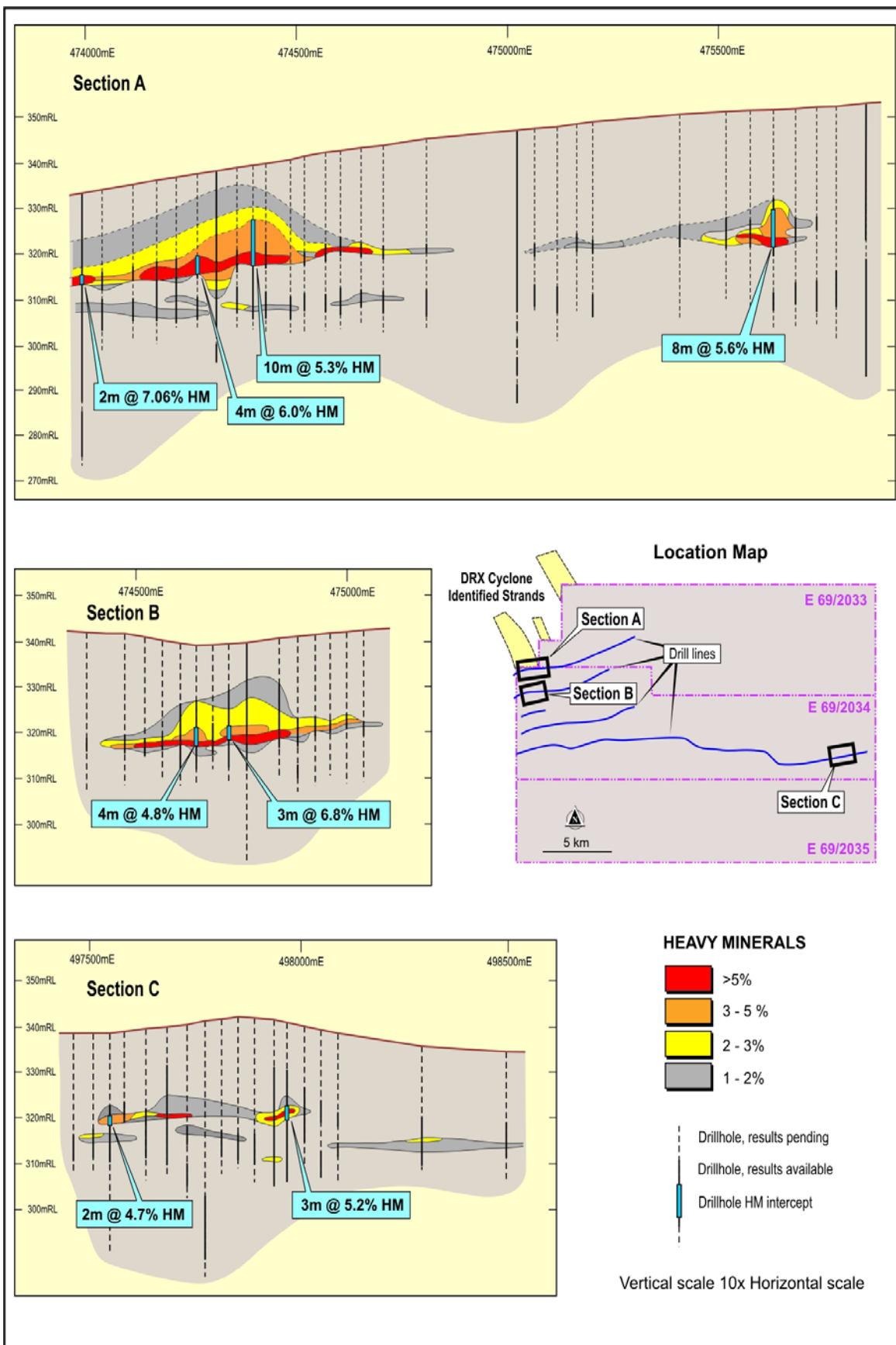


Figure 2
Serpentine Lakes Project- Cross Sections

BRONCO PLAINS (Image 100%, diluting)

AngloGold Ashanti and Independence Group have the right to earn a combined 72% interest in this 230sq km project situated on the Tropicana-Beachcomber gold trend some 140 km east of Kalgoorlie. Permitting for a 60-hole aircore drilling programme to test gold-in-soil anomalies and for further geochemical sampling of other target areas is in progress. The drilling programme is anticipated to be completed in the June quarter.

For more information on the company visit www.imageres.com.au
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The information in this report that relates to exploration results is based on information compiled or reviewed by Scott Carruthers BSc,MSc. Scott Carruthers is a full time employee of Image Resources NL. Scott Carruthers has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Scott Carruthers consents to the inclusion of this information in the form and context in which it appears in this report.

Atlas Aircore Drill Intersections

Hole Number	MGA East	MGA North	From m	To m	Interval m	HM %
1428	331959	6617194	2	5	3	4.7
1429	331943	6617191	3	5	2	5.7
1430	331920	6617193	3	4	1	3.0
1438	331680	6617195	3	4	1	2.8
1441	331620	6617205	4	5	1	2.0
1442	331599	6617202	4	5	1	4.8
1443	331579	6617203	4	5	1	5.4
1444	331560	6617204	4	7	3	3.7
1445	331551	6617205	4	7	3	6.2
1446	331539	6617205	4	7	3	8.4
1447	331521	6617201	5	8	3	7.9
1448	331501	6617200	6	9	3	8.2
1450	331462	6617193	8	13	5	4.8
1451	331440	6617190	11	12	1	27.3
1452	331421	6617190	11	12	1	8.6
1479	332063	6617416	3	6	3	5.6
1499	330720	6617402	11	12	1	2.1
1502	332400	6617601	4	5	1	2.1
1516	331711	6617584	4	5	1	16.2
1517	331700	6617593	4	5	1	10.1
1518	331679	6617592	4	7	3	4.2
1519	331669	6617596	4	7	3	5.1
1520	331660	6617605	4	8	4	18.8
1521	331650	6617602	5	10	5	20.4
1522	331640	6617598	5	9	4	15.5
1523	331620	6617599	7	10	3	10.8
1524	331601	6617605	8	13	5	10.7
1526	331560	6617610	10	12	2	19.9
1527	331539	6617609	10	12	2	15.2
1530	331411	6617604	9	12	3	4.7
1531	331400	6617608	9	12	3	3.3
1532	331381	6617607	9	11	2	2.8
1533	331322	6617603	9	10	1	2.6
1534	331302	6617598	9	11	2	3.4
1535	331282	6617601	8	9	1	3.2
1563	331760	6617812	5	6	1	2.5
1564	331749	6617809	4	6	2	2.8
1565	331739	6617810	5	6	1	2.2
1566	331730	6617808	4	6	2	3.6
1567	331710	6617807	3	7	4	6.3

Atlas Aircore Drill Intersections

Hole Number	MGA East	MGA North	From m	To m	Interval m	HM %
1568	331701	6617807	4	7	3	23.4
1569	331690	6617807	5	8	3	21.2
1570	331680	6617800	5	11	6	13.6
1571	331661	6617806	5	8	3	9.5
1573	331620	6617805	7	13	6	8.1
1574	331601	6617811	8	11	3	16.2
1575	331579	6617807	9	10	1	10.2
1582	331321	6617813	7	9	2	3.3
1583	331301	6617807	8	12	4	3.4
1584	331280	6617801	10	11	1	2.5
1585	331259	6617803	10	11	1	2.6
1587	331361	6617811	9	10	1	2.3
1589	332581	6618001	10	11	1	4.3
1591	332499	6617999	9	11	2	6.9
1596	331799	6617986	3	4	1	4.7
1598	331769	6617990	3	5	2	3.6
1599	331759	6617984	3	5	2	3.4
1600	331742	6617986	3	5	2	3.7
1601	331720	6617990	4	6	2	3.6
1602	331700	6617995	4	8	4	6.4
1603	331679	6617997	5	8	3	3.5
1604	331661	6617995	7	8	1	13.8
1605	331639	6617998	7	8	1	16.9
1606	331619	6618000	3	8	5	4.5
1607	331599	6618001	3	8	5	2.9
1608	331581	6618007	8	10	2	7.6
1609	331560	6618010	8	10	2	5.5
1610	331540	6618010	8	9	1	4.4
1612	331360	6617992	8	10	2	4.6
1618	332481	6618207	7	8	1	2.1
1622	331801	6618207	2	4	2	4.0
1623	331783	6618209	0	5	5	9.7
1624	331771	6618209	0	6	5	20.4
1625	331762	6618209	3	6	3	29.5
1626	331740	6618204	3	7	4	10.1
1627	331719	6618204	3	5	2	3.1
1628	331702	6618203	8	9	1	2.0
1629	331682	6618203	6	7	1	9.9
1630	331660	6618202	7	8	1	13.9
1631	331640	6618201	7	8	1	8.0
1632	331581	6618202	2	4	2	4.5

Atlas Aircore Drill Intersections

Hole Number	MGA East	MGA North	From m	To m	Interval m	HM %
1635	331460	6618202	8	10	2	2.6
1636	331441	6618204	10	11	1	2.9
1637	331381	6618205	8	11	3	3.7
1638	331359	6618201	9	12	3	4.4
1642	331401	6618202	9	11	2	2.8
1643	331482	6618200	9	10	1	3.8
1644	332521	6618211	12	13	1	2.1
1647	331918	6618390	2	4	2	7.8
1650	331841	6618406	0	7	7	18.8
1651	331830	6618402	0	6	6	22.6
1652	331821	6618399	0	6	6	26.4
1653	331800	6618398	3	7	4	47.4
1654	331779	6618399	3	7	4	22.2
1655	331760	6618400	4	8	4	4.4
1656	331722	6618400	8	9	1	8.5
1657	331700	6618399	6	10	4	13.7
1658	331689	6618398	3	10	7	10.1
1659	331680	6618399	7	9	2	7.2
1660	331661	6618398	7	8	1	2.6
1661	331443	6618397	8	9	1	3.0
1662	331360	6618404	8	10	2	3.3
1664	332680	6618602	1	2	1	2.0
1666	332280	6618595	4	5	1	2.5
1670	331939	6618596	0	5	5	8.0
1670	331939	6618596	0	2	2	3.9
1671	331919	6618593	0	5	5	6.3
1672	331900	6618597	0	6	6	13.5
1673	331890	6618598	0	7	7	20.9
1674	331880	6618597	1	7	6	22.5
1675	331860	6618598	1	8	7	15.2
1676	331840	6618601	3	7	4	19.7
1677	331831	6618599	3	10	7	27.5
1678	331820	6618599	3	9	6	27.8
1679	331801	6618597	4	9	5	14.0
1680	331782	6618598	4	9	5	7.2
1681	331756	6618600	7	9	2	22.1
1682	331741	6618604	9	10	1	15.4
1683	331723	6618604	7	9	2	16.2
1684	331700	6618604	7	10	3	5.1
1685	331680	6618605	2	9	3	6.8
1688	331579	6618598	7	9	2	2.7

Atlas Aircore Drill Intersections

Hole Number	MGA East	MGA North	From m	To m	Interval m	HM %
1689	331517	6618607	8	9	1	2.4
1690	331478	6618603	8	9	1	4.2
1692	331399	6618600	8	12	4	1.8
1700	332240	6618807	3	9	6	2.7
1704	331981	6618826	0	4	4	2.4
1705	331971	6618822	0	2	2	2.5
1706	331961	6618823	0	4	4	2.8
1707	331938	6618818	0	5	5	9.3
1708	331921	6618816	0	6	6	13.0
1709	331901	6618813	0	5	5	3.8
1710	331882	6618810	0	12	12	13.8
1711	331860	6618804	1	15	14	22.5
1712	331801	6618805	3	10	7	4.7
1713	331779	6618813	3	9	6	6.7
1714	331761	6618815	4	7	3	6.2
1715	331741	6618814	6	9	3	7.8
1716	331719	6618811	6	9	3	5.4
1717	331700	6618810	6	8	2	3.7
1719	331502	6618812	7	11	4	2.5
1731	331970	6618996	1	2	1	5.4
1757	332100	6619200	1	3	2	4.0
1783	332079	6619561	3	6	3	8.1
1784	332062	6619562	3	6	3	6.6
1785	332038	6619557	2	6	4	6.0
1786	332022	6619558	0	6	6	5.1
1787	331999	6619552	0	9	9	8.9
1788	331984	6619551	1	8	7	9.7
1789	331965	6619552	1	7	6	4.9
1790	331942	6619550	1	7	6	5.8
1791	331919	6619549	1	6	5	5.0
1792	331900	6619553	2	8	6	9.0
1793	331880	6619555	1	8	7	4.2
1794	331860	6619561	4	9	5	3.6
1795	331837	6619563	1	9	8	4.7
1796	331821	6619565	2	3	1	13.5
1797	331802	6619568	0	6	6	3.2
1798	331780	6619573	2	7	5	4.4
1799	331761	6619579	4	6	2	4.5
1801	331717	6619588	6	8	2	5.4
1802	331700	6619592	6	8	2	4.0
1803	331658	6619607	7	9	2	5.2

Atlas Aircore Drill Intersections

Hole Number	MGA East	MGA North	From m	To m	Interval m	HM %
1805	331617	6619617	7	9	2	4.9
1806	331681	6619601	4	8	4	3.6
1817	332139	6619774	2	5	3	6.3
1818	332119	6619773	3	5	2	6.4
1819	332060	6619762	4	7	3	3.5
1820	332039	6619758	3	7	4	12.2
1821	332021	6619759	2	11	9	11.1
1822	331983	6619759	4	7	3	2.6
1823	331962	6619757	2	7	5	4.4
1824	331942	6619754	3	7	4	5.9
1825	331920	6619757	3	6	3	21.5
1827	331883	6619759	4	6	2	5.6
1828	331862	6619757	1	7	6	2.8
1829	331843	6619759	4	6	2	5.6
1830	331819	6619767	4	11	7	3.3
1831	331802	6619776	4	6	2	5.0
1832	331779	6619790	4	6	2	4.9
1833	331760	6619799	1	5	4	3.0
1834	331737	6619818	4	5	1	7.1
1835	331719	6619818	1	3	2	8.8
1855	332082	6619954	3	4	1	5.0
1856	332061	6619950	4	6	2	5.1
1857	332042	6619956	2	6	4	3.3
1858	332021	6619960	2	7	5	3.3
1859	332001	6619959	2	6	4	3.7
1860	331981	6619964	1	8	7	5.8
1861	331959	6619959	1	7	6	6.0
1862	331940	6619958	3	5	2	13.1
1863	331925	6619958	4	8	4	4.0
1864	331901	6619960	2	6	4	4.7
1865	331880	6619964	3	7	4	2.4
1866	331861	6619968	4	6	2	2.2
1867	331840	6619975	3	5	2	3.9
1868	331822	6619982	4	6	2	3.1
1889	332126	6620165	1	5	4	6.2
1890	332102	6620162	2	5	3	3.8
1891	332083	6620163	2	4	2	3.2
1892	332063	6620163	2	7	5	2.2
1893	332042	6620162	2	8	6	3.5
1894	332020	6620157	4	10	6	4.1
1895	332000	6620153	2	7	5	5.0

Atlas Aircore Drill Intersections

Hole Number	MGA East	MGA North	From m	To m	Interval m	HM %
1896	331980	6620156	4	6	2	3.6
1897	331960	6620158	3	7	4	3.4
1898	331938	6620162	3	7	4	3.0
1899	331921	6620165	4	7	3	2.9
1900	331900	6620171	2	9	7	2.9
1901	331881	6620180	3	6	3	2.1
1902	331862	6620187	2	5	3	2.1
1903	331841	6620194	4	7	3	7.8
1904	331819	6620202	3	7	4	2.2
1921	332237	6620414	4	7	3	2.8
1923	332142	6620444	5	8	3	4.1
1924	332121	6620450	4	6	2	10.2
1925	332102	6620453	3	6	3	3.2
1926	332082	6620457	2	6	4	4.3
1927	332061	6620462	4	6	2	9.2
1928	332040	6620463	4	7	3	6.5
1929	332018	6620467	3	5	2	5.2
1930	331998	6620471	2	5	3	3.9
1931	331980	6620475	3	4	1	4.0
1932	331964	6620477	1	5	4	13.4
1933	331942	6620479	1	4	3	14.1
1934	331923	6620476	1	3	2	2.8
1935	331862	6620468	3	4	1	4.1
1936	331844	6620466	4	5	1	6.6
1937	331822	6620462	3	5	2	3.1
1954	332242	6620637	1	10	9	5.1
1961	332082	6620639	3	6	3	9.9
1962	332062	6620633	3	5	2	9.0
1964	332022	6620622	3	7	4	4.9
1965	331999	6620615	3	5	2	8.0
1967	331961	6620603	2	6	4	6.0
1986	332160	6620788	2	7	5	5.6
1987	332142	6620792	2	7	5	6.2
1988	332121	6620800	3	8	5	7.2
1989	332100	6620806	4	8	4	7.2
1990	332082	6620810	4	8	4	5.1
1991	332062	6620808	3	10	7	7.9
1992	332042	6620799	2	9	7	6.2
1993	332019	6620789	3	7	4	5.4
1994	332001	6620777	2	6	4	4.0
1995	331981	6620767	2	5	3	8.6

Atlas Aircore Drill Intersections

Hole Number	MGA East	MGA North	From m	To m	Interval m	HM %
2019	332080	6619400	1	4	3	9.3
2020	332061	6619398	1	8	7	12.2
2022	332020	6619400	1	4	3	4.4
2023	332001	6619401	0	3	3	4.6
2024	331990	6619399	1	6	5	9.2
2025	331981	6619401	1	6	5	15.1
2026	331961	6619401	1	7	6	12.9
2027	331940	6619401	0	7	7	5.3
2028	331920	6619400	1	8	7	4.5
2029	331900	6619401	1	9	8	13.0
2030	331881	6619406	0	7	7	5.7
2031	331862	6619409	2	8	6	5.1
2032	331839	6619405	5	7	2	6.8
2033	331820	6619402	2	8	6	3.9
2034	331800	6619403	2	8	6	3.9
2035	331781	6619404	2	8	6	3.8
2036	331759	6619403	2	6	4	7.9
2064	331837	6621698	6	8	2	5.7
2066	332124	6621700	4	6	2	6.4
2069	332100	6621801	4	5	1	6.8
2076	332097	6622101	5	6	1	11.7
2081	332122	6622199	3	6	3	5.4
2100	332230	6623002	2	5	3	6.3
2108	332099	6621400	7	11	4	5.8
2109	332030	6621299	5	12	7	3.5
2113	331840	6620715	4	5	1	9.8
2114	331821	6620709	4	9	5	4.3
2116	332102	6620643	2	6	4	5.0
2121	332001	6619756	2	7	5	4.4
2124	331860	6618406	1	4	3	10.9

1m or 2m samples, HM grade determined by TBE heavy liquid separation

Appendix B

Serpentine Lakes Aircore Drill Intersections

Hole Number	MGA East	MGA North	From m	To m	Interval m	HM %
SL001	474001	6810048	10	20	10	2.6
SL002	474310	6810153	4	28	24	3.0
SL014	474771	6808770	8	24	16	2.7
SL015	474845	6808790	10	22	12	2.7
SL017	476437	6809056	18	26	8	2.3
SL043	481031	6805736	16	20	4	3.0
SL044	481903	6805695	22	26	4	2.3
SL048	485973	6805909	22	24	2	5.5
SL056	497548	6804549	16	20	4	3.1
SL076	477317	6810573	10	16	6	1.5
SL082	475629	6810419	20	30	10	5.0
SL086	474592	6810358	19	22	3	2.8
SL087	474427	6810216	17	22	5	5.4
SL088	474126	6810104	18	21	3	3.4
SL089	474890	6808797	18	23	5	2.9
SL090	474934	6808799	18	21	3	2.5
SL091	474971	6808796	19	22	3	2.3
SL092	475008	6808796	18	21	3	2.1
SL094	474729	6808753	10	22	12	3.2
SL095	474692	6808746	17	24	7	2.2
SL096	474651	6808743	12	24	12	3.0
SL097	474613	6808741	13	22	9	3.6
SL098	474571	6808730	21	24	3	3.6
SL099	474530	6808719	22	25	3	3.6
SL100	474483	6808707	22	25	3	2.7
SL102	474047	6810081	18	22	4	2.5
SL103	474174	6810116	18	22	4	6.0
SL104	474221	6810126	18	23	5	4.4
SL105	474270	6810140	18	22	4	6.0
SL106	474359	6810179	18	21	3	7.1
SL107	474395	6810201	12	22	10	5.3
SL109	474506	6810276	21	23	2	3.0
SL110	474547	6810332	20	23	3	3.7
SL111	474629	6810361	21	23	2	4.3
SL112	474683	6810358	23	24	1	2.7

Serpentine Lakes Aircore Drill Intersections

Hole Number	MGA East	MGA North	From m	To m	Interval m	HM %
SL113	475574	6810407	24	29	5	3.0
SL129	475677	6806552	30	36	6	1.8
SL131	476243	6808993	22	26	4	1.6
SL151	497635	6804567	18	20	2	2.1
SL152	497687	6804565	15	20	5	2.8
SL155	497968	6804637	17	21	4	4.3
SL156	498009	6804650	18	19	1	1.7
SL158	497937	6804631	20	23	3	4.6
SL169	497749	6804340	20	24	4	2.9
SL170	475057	6810336	26	27	1	1.7
SL172	475161	6810339	25	27	2	2.2
SL176	497983	6804372	22	26	4	3.1
SL181	497706	6804357	21	27	6	2.3
SL182	497677	6804332	24	25	1	1.8
SL183	497637	6804349	24	25	1	1.7
SL184	497600	6804375	23	25	2	2.7
SL185	497562	6804367	24	27	3	1.8
SL186	497525	6804347	21	26	5	1.7
SL193	497249	6805039	14	16	2	1.5
SL196	497024	6804991	14	18	4	2.3
SL203	474948	6807993	24	28	4	2.7
SL206	474651	6807963	32	33	1	2.4
SL209	474906	6807997	23	27	4	2.6

1m or 2m samples, HM grade determined by TBE heavy liquid separation