

**ASX Release
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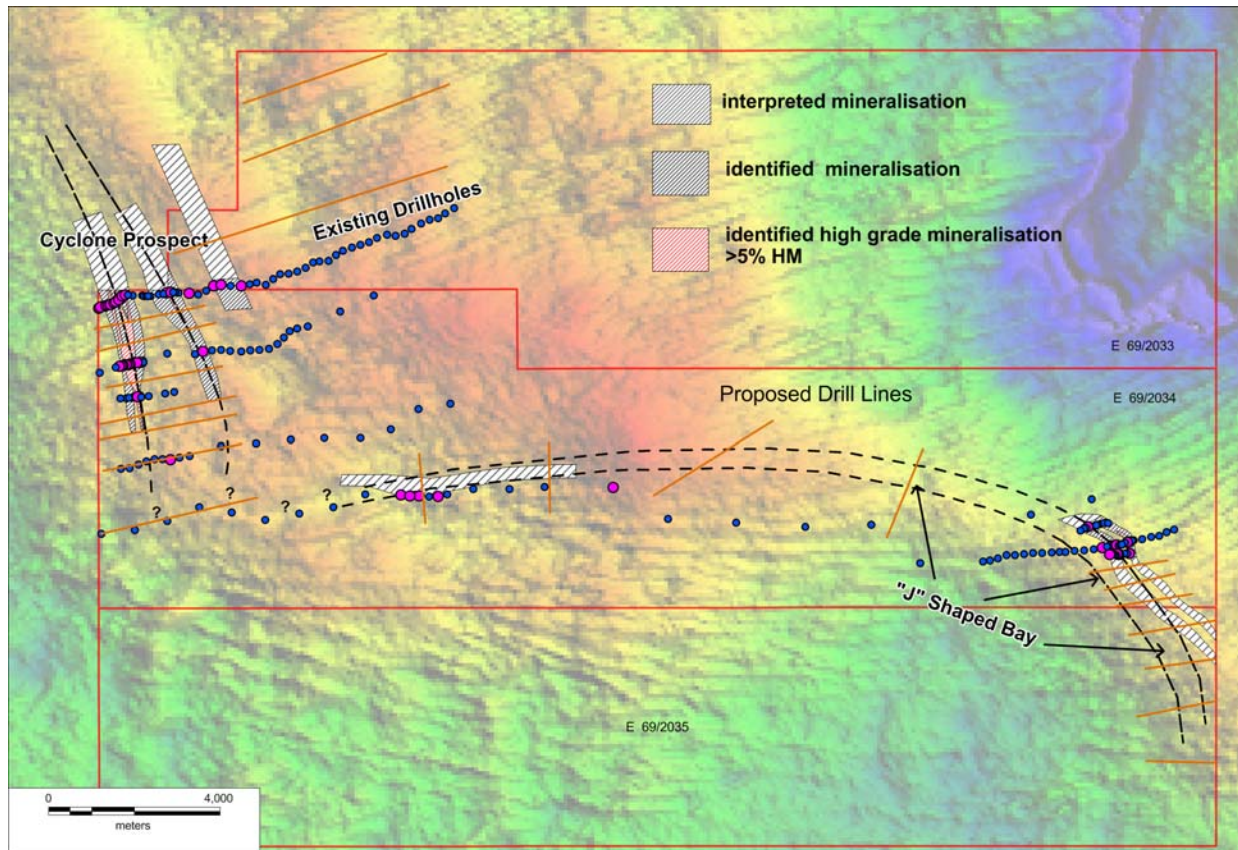
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10,000m EUCLA ZIRCON DRILLING PROGRAMME

Image has begun the second phase drill programme over its 100%-owned Serpentine Lakes tenements in the Eucla Basin. The Image tenements contain the southern extension of Diatreme Resources' (ASX:DRX) Cyclone heavy mineral discovery where DRX has reported an Inferred Resource of 60 Mt at 3.1% HM (DRX ASX release 31 March 2008). The heavy mineral suites from this area contain high grades of zircon, up to 42% (DRX ASX release 10 March 2009). The aims of the drilling programme are to:

- Provide adequate sample density for initial resource estimations over the Cyclone South prospect and potentially over mineralisation found in two separate zones to the east. Of particular interest is the prominent J-shaped paleo shoreline on the eastern part of the tenements. J-shaped shorelines can form sediment traps that commonly host large heavy mineral deposits and provide attractive exploration targets.
- Determine the shoreline morphology and possible extensions to mineralisation between Cyclone South and the mineralisation to the east.
- Investigate the possibility of mineralisation at different elevations, parallel to the Cyclone South strands, taking into account the palaeo-topography and stratigraphy.

Heritage surveys and access construction has been completed, with drilling scheduled to start this week. A 10,000m aircore drilling is proposed, to test this prospective zircon target. The attached map shows the Image tenements, drilling completed to date, the zones of mineralisation and the proposed drilling.



Serpentine Lakes Tenements: Drilling and Target Summary on Topography

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 by Scott Carruthers BSc, MSc who is a Member of the Australasian Institute of Mining and Metallurgy. 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 he is 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.