

**ASX Release**  
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## MEASURED RESOURCE DRILLING COMMENCES AT ATLAS

Infill drilling has commenced at Image's high grade Atlas deposit in the North Perth Basin. The drilling is designed to upgrade the resource to measured status by increasing the drillhole density from 200m by 20m to 100m by 20m. Approximately 400 holes will be drilled (see Figure 1), with completion of drilling expected by mid February.

The drilling is focussed on the high grade mineralisation, including high grades of zircon of up to 20.8% of the heavy minerals, within unallocated crown land in the southern part of the deposit. The identification of this high grade zone has resulted in a significant resource upgrade of 260,000t of heavy minerals, increasing the contained zircon to 102,000t (ASX release 10 August 2009). Given the current price of zircon of US\$900/t and the good zircon grades, any further resource upgrades have the potential to add significant value to Atlas.

Mineralogical composite samples from Atlas have been prepared and sent to parties who have signed memoranda of understanding for analysis. In addition, Image is conducting its own mineralogical analyses. These tests will complement the work completed to date (ASX release 27 May 2009). When complete, this data will be used to update the resource estimate (see Table 1) and to further the studies Image is undertaking on the commercialisation of its North Perth Basin resources.

Table 1

### Atlas Resource Estimate Heavy Minerals and Mineralisation

Category	Cut Off Grade %HM	Tonnes	Grade %HM	Slimes %	t HM
Indicated	2.5	14,600,000	6.2	15.6	910,000

### Atlas Resource Estimate Heavy Mineral Suite

Category	Ilmenite	Leucoxene + Rutile	Zircon	Other
Inferred	555,000t	66,000t	102,000t	186,000t
Inferred	61.0%	7.3%	11.2%	20.4%

For more information on the company visit [www.imageres.com.au](http://www.imageres.com.au)

Please direct enquiries to:  
 George Sakalidis  
 Managing Director  
 Phone (08) 9485 2410  
 Mob 0411 640 337

Roger Thomson  
 Executive Director  
 Phone (08) 9485 2410  
 Mob 0419 969 183

The information in this report is based on information compiled or reviewed by George Sakalidis BSc (Hons), who is a member of the Australasian Institute of Mining and Metallurgy. George Sakalidis is a director of Image Resources NL. George Sakalidis 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 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.

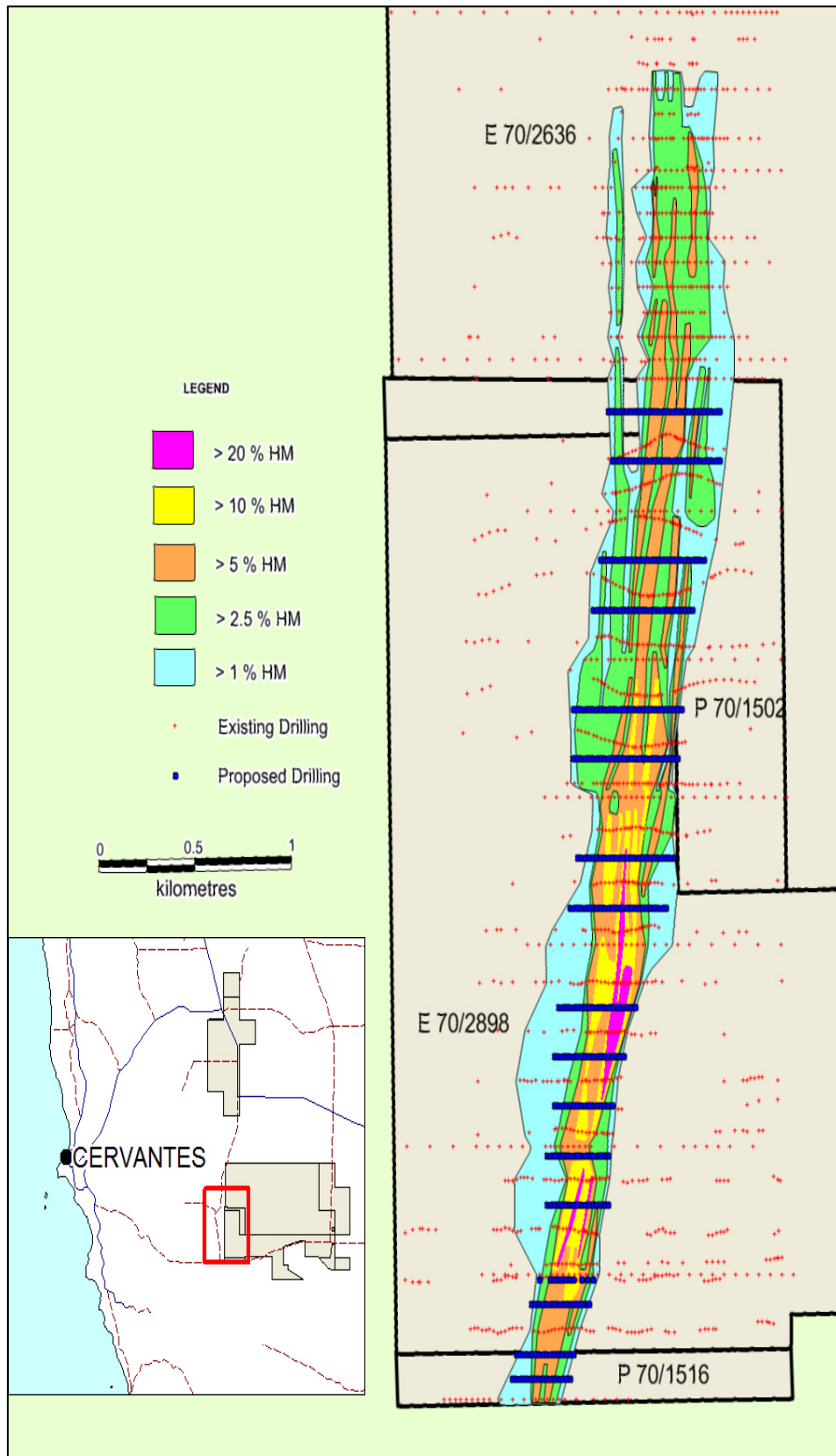


Figure 1  
Proposed Atlas Resource Drilling