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MEASURED RESOURCE ESTIMATE AT ATLAS BEGINS. NEW DRILLING AT GINGIN AND CHANDALA

Highlights

- Image is about to commence the measured resource estimate for its Atlas heavy mineral deposit. The results of this work are expected to demonstrate how attractive this heavy mineral resource is to both end users and producers and allow Image to determine, on a more informed basis, how best to commercialise the project.
- Sample processing from Atlas completed confirming the high grades identified previously, including:

Hole Number	MGA East	MGA North	From m	To m	Interval m	HM %
A162	331839	6618899	2	6	4	23.3
A165	331899	6618900	2	6	4	21.3
A245	331919	6619700	3	6	3	27.7
A250	332020	6619701	2	8	6	24.4
A304	332119	6620299	2	4	2	29.0
A405	331520	6617464	11	12	1	53.5

- Mineralogical work to determine zircon, rutile and ilmenite content and the suitability of the ilmenite as synthetic rutile feedstock is well underway.
- Drilling programmes planned to start in April on very prospective HM targets within the contiguous Chandala and Gingin projects and the Rhea target at Cooljarloo.
- Six months of accelerated drilling programmes planned in the North Perth Basin, where the existing producers have severely depleting reserves. It is envisaged that this drilling will significantly increase Image's existing and globally significant resource of 6.7million tonnes of contained HM.

Work completed:

- 2,345 samples processed since the previous ASX release of 5 March 2010.

Work in progress:

- Mineralogical analysis of composite samples – about 3-4 weeks.
- Geological interpretation and wireframing – about 4-6 weeks.

Planned work:

- Atlas Measured Resource estimate – approximately 4 weeks following completion of mineralogical analyses.
- Drilling of Gingin and Chandala targets – April.
- Drilling of Rhea and other targets – upon finalisation of permitting.
- Drilling of 3 new targets at Cooljarloo North – upon finalisation of permitting.

The infill drilling programme that will support a Measured Resource estimate at Image's high grade Atlas project is now complete, as shown in Figure 1 (see Table 1 for the August 2009 Indicated Resource estimate and Table 2 for the Atlas drilling results).

Thirteen of Image's own mineralogical composite samples from Atlas are being analysed, with a further 12 samples being prepared. This test work will provide detailed mineral assemblage information and also test the suitability of the ilmenite as synthetic rutile feedstock. There are currently 5 synthetic rutile plants situated in the Perth Basin owned by existing producers Iluka and Tiwest.

In areas to the east of Atlas, a programme of proposed drilling on the Rhea mineralisation and other magnetic targets in vacant crown land has now been permitted. A review of drilling and geophysical data at Cooljarloo has led to a refined interpretation of both strand and channel-style mineralisation, with new targets generated as shown in Figure 2.

The proposed and permitted drilling on the Gingin and Chandala tenements cover a series of promising high amplitude magnetic targets along strike from Iluka's mining lease, as shown in Figure 3. First pass drilling by Image contained intersections of up to 7.8%HM.

Image's testing of its highly prospective targets within the North Perth Basin is expected to significantly upgrade its already substantial 6.7million tonnes of Indicated and Inferred Resources of contained heavy minerals. A number of the high priority targets will be tested within the next six months as part of Image's accelerated drilling programme to assess the 300km of targets identified in the region.

Table 1

Alas Resource Estimate Heavy Minerals and Mineralisation – August 2009

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%

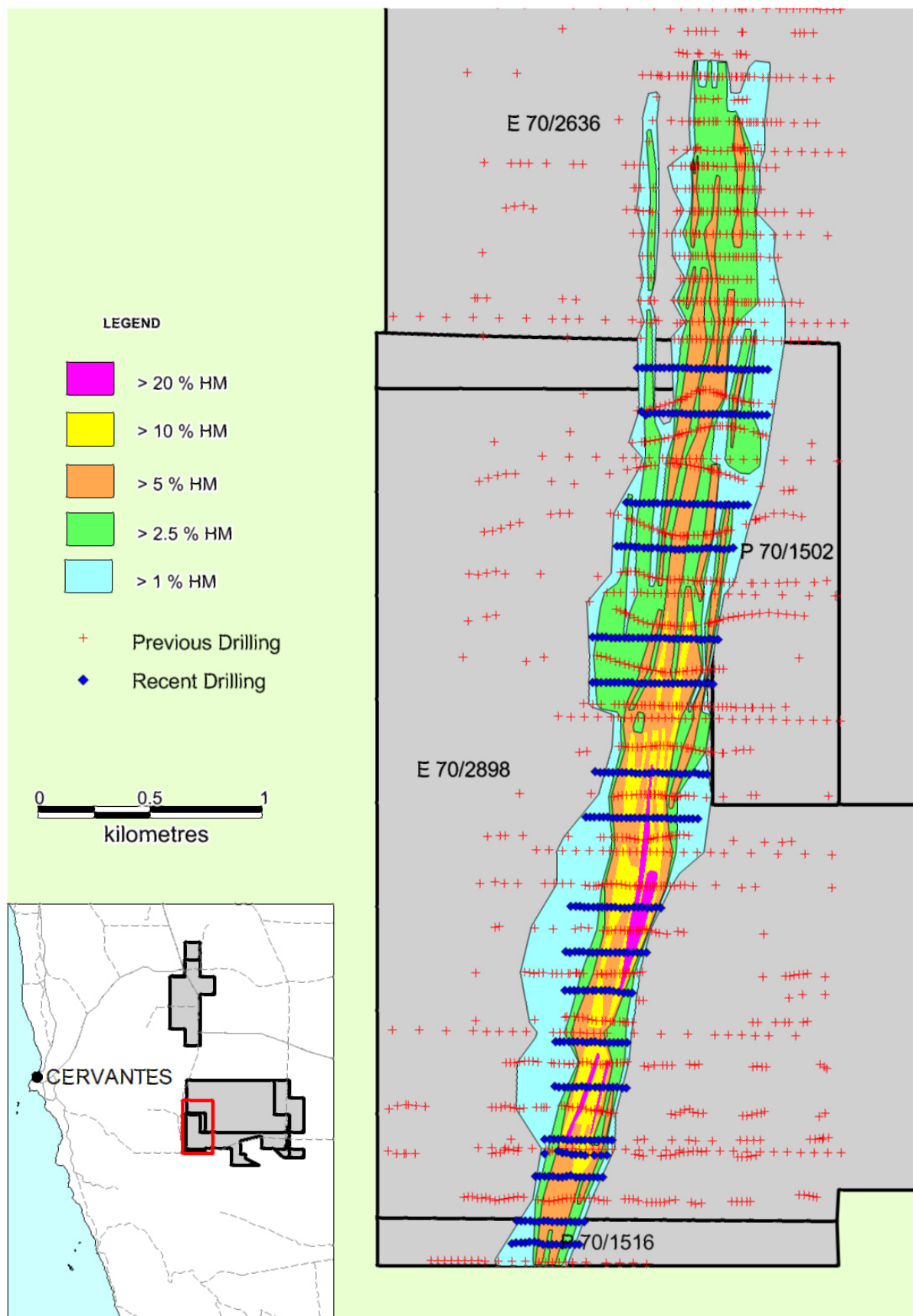


Figure 1
Atlas Resource Drilling

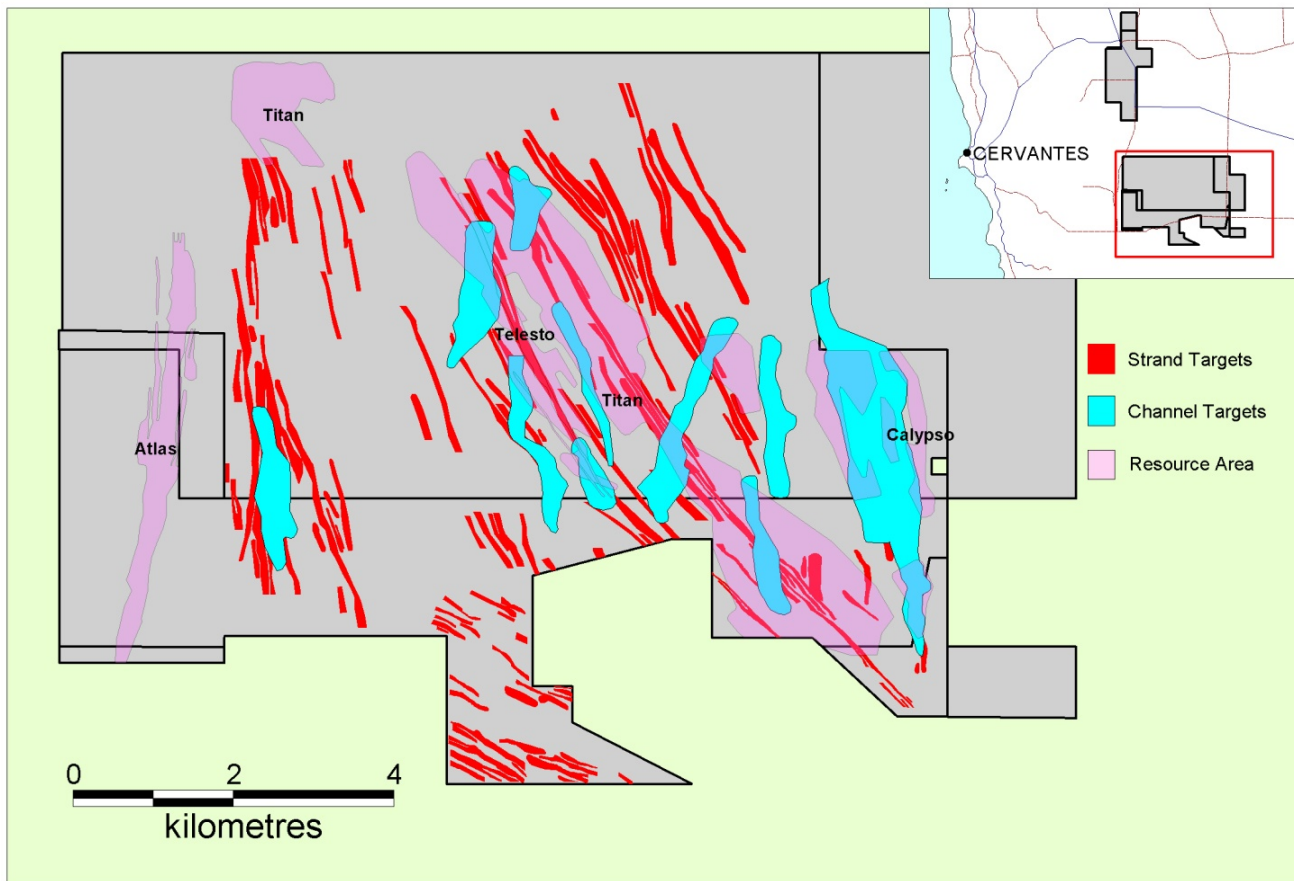


Figure 2
Cooljarloo JV Target and Resource Areas

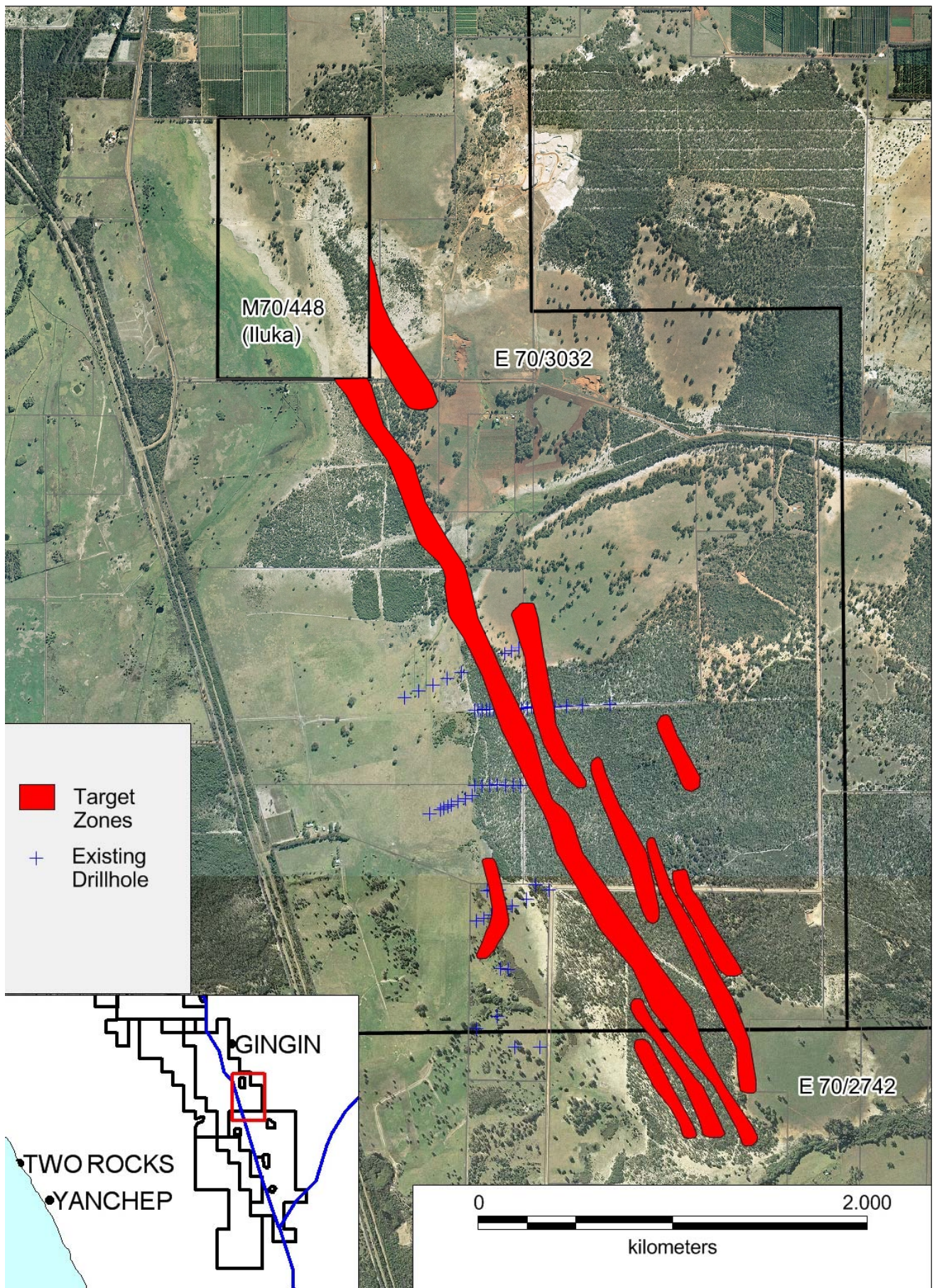


Figure 3
Gingin and Chandala Target Areas

Table 2
Atlas Aircore Drill Intersections

Hole Number	MGA East	MGA North	From m	To m	Interval m	% HM
A149	331579	6618899	6	8	2	2.7
A150	331599	6618902	7	9	2	3.5
A151	331620	6618901	6	8	2	2.7
A153	331659	6618899	1	2	1	3.6
A154	331679	6618899	1	3	2	6.1
A155	331699	6618899	5	7	2	8.1
A156	331719	6618899	5	7	2	5.6
A157	331739	6618899	4	6	2	11.6
A158	331759	6618899	5	9	4	13.4
A159	331779	6618899	5	7	2	20.1
A160	331799	6618899	2	9	6	9.0
A161	331819	6618899	2	7	5	12.4
A162	331839	6618899	0	7	7	15.0
A163	331859	6618900	0	8	8	7.4
A164	331879	6618901	0	6	6	10.6
A165	331899	6618900	0	6	6	15.6
A166	331919	6618900	0	5	5	4.0
A167	331939	6618900	0	3	3	7.7
A168	331959	6618899	2	5	3	14.6
A176	331639	6619099	5	7	2	3.0
A177	331659	6619099	1	6	5	4.5
A180	331719	6619099	5	7	2	4.7
A181	331739	6619099	0	7	7	2.7
A182	331759	6619099	4	6	2	11.4
A183	331779	6619099	4	6	2	10.4
A184	331800	6619099	3	8	5	7.4
A185	331819	6619099	3	6	3	8.7
A186	331839	6619099	3	7	4	7.1
A187	331859	6619100	1	5	4	9.6
A188	331879	6619101	0	6	6	10.4
A189	331899	6619101	0	7	7	8.2
A190	331919	6619101	0	6	6	8.4
A191	331939	6619099	0	3	3	3.9
A192	331959	6619099	0	2	2	3.3
A194	331999	6619098	0	2	2	6.5
A197	332060	6619104	2	7	5	6.3
A198	332080	6619099	4	6	2	2.4
A201	331599	6619499	6	9	3	3.3
A202	331619	6619499	6	9	3	3.0
A204	331659	6619501	3	8	5	2.7
A205	331680	6619499	6	8	2	4.2
A207	331719	6619499	2	8	6	1.8
A208	331739	6619499	2	3	1	6.9

Hole Number	MGA East	MGA North	From m	To m	Interval m	% HM
A149	331579	6618899	6	8	2	2.7
A150	331599	6618902	7	9	2	3.5
A209	331759	6619499	2	7	5	4.7
A210	331779	6619499	1	10	9	3.6
A211	331799	6619499	1	7	6	2.7
A212	331819	6619499	1	9	8	2.3
A213	331839	6619499	2	8	6	5.6
A214	331859	6619499	1	7	6	4.7
A215	331879	6619499	2	7	5	6.2
A216	331899	6619499	1	6	5	9.8
A217	331919	6619499	2	7	5	9.3
A218	331939	6619499	1	7	6	6.7
A219	331959	6619499	1	6	5	8.0
A220	331979	6619499	1	8	7	12.3
A221	331999	6619499	1	7	6	11.2
A222	332019	6619499	2	6	4	8.3
A224	332060	6619501	4	9	5	4.1
A225	332079	6619501	2	7	5	7.0
A226	332099	6619501	3	6	3	9.9
A227	332119	6619502	3	5	2	2.4
A233	331679	6619699	1	5	4	2.2
A234	331699	6619699	2	6	4	2.0
A235	331719	6619699	4	5	1	7.1
A238	331779	6619699	4	6	2	4.5
A239	331799	6619699	3	8	5	3.0
A240	331819	6619699	4	8	4	3.6
A241	331839	6619699	4	6	2	3.1
A242	331859	6619699	1	6	5	3.3
A243	331879	6619699	1	7	6	4.4
A244	331900	6619700	2	7	5	6.1
A245	331919	6619700	2	7	5	18.1
A246	331940	6619699	3	7	4	6.8
A247	331960	6619699	2	7	5	6.3
A248	331979	6619699	1	7	6	7.4
A249	331999	6619699	1	8	7	7.5
A250	332020	6619701	2	9	7	21.3
A251	332039	6619701	5	7	2	6.3
A252	332059	6619699	3	8	5	4.6
A253	332079	6619698	4	9	5	5.8
A254	332100	6619698	3	6	3	5.1
A255	332119	6619699	3	6	3	11.7
A256	332139	6619699	3	5	2	6.7
A259	331719	6620106	3	6	3	4.2
A260	331739	6620106	1	8	7	3.0
A261	331759	6620105	2	5	3	2.0
A262	331779	6620103	1	4	3	2.8

Hole Number	MGA East	MGA North	From m	To m	Interval m	% HM
A149	331579	6618899	6	8	2	2.7
A150	331599	6618902	7	9	2	3.5
A264	331819	6620101	4	6	2	2.6
A265	331839	6620099	2	7	5	4.7
A266	331859	6620099	2	4	2	4.7
A267	331879	6620099	4	9	5	2.0
A268	331899	6620098	3	7	4	3.4
A269	331920	6620097	3	7	4	6.5
A270	331940	6620097	5	8	3	4.2
A271	331960	6620094	2	7	5	3.2
A272	331980	6620095	2	8	6	5.0
A273	331999	6620095	2	8	6	5.3
A274	332019	6620098	2	7	5	3.5
A275	332039	6620099	3	7	4	3.9
A276	332059	6620099	2	8	6	3.4
A277	332079	6620102	2	8	6	3.9
A278	332099	6620103	1	7	6	10.0
A279	332119	6620104	2	8	6	2.2
A282	332180	6620098	3	5	2	17.0
A285	331739	6620299	5	7	2	2.9
A286	331759	6620299	5	9	4	2.5
A289	331819	6620299	1	2	1	4.3
A290	331839	6620299	5	7	2	4.5
A291	331859	6620299	4	5	1	4.0
A293	331899	6620299	4	6	2	3.7
A294	331919	6620299	2	6	4	3.1
A295	331939	6620299	3	8	5	3.6
A296	331959	6620299	2	7	5	11.8
A297	331980	6620299	2	6	4	3.5
A298	332000	6620298	2	7	5	3.4
A299	332019	6620299	2	7	5	5.4
A300	332039	6620299	4	6	2	2.8
A301	332059	6620299	4	6	2	12.4
A302	332080	6620299	2	5	3	4.4
A303	332099	6620299	2	6	4	9.7
A304	332119	6620299	2	6	4	15.3
A308	332199	6620298	2	7	5	10.6
A309	332220	6620298	2	4	2	2.9
A310	332240	6620298	3	5	2	3.2
A314	331821	6620691	4	9	5	2.8
A315	331839	6620699	1	6	5	4.6
A316	331859	6620699	4	5	1	7.8
A318	331899	6620699	2	5	3	3.3
A319	331919	6620699	2	3	1	3.0
A320	331940	6620699	1	2	1	3.7
A321	331959	6620699	1	5	4	4.8

Hole Number	MGA East	MGA North	From m	To m	Interval m	% HM
A149	331579	6618899	6	8	2	2.7
A150	331599	6618902	7	9	2	3.5
A322	331979	6620699	2	9	7	8.3
A323	331999	6620699	2	6	4	3.5
A324	332019	6620699	2	7	5	4.0
A325	332039	6620699	2	8	6	3.9
A326	332059	6620699	3	8	5	5.7
A327	332079	6620699	3	7	4	6.7
A328	332099	6620699	3	5	2	3.8
A329	332119	6620699	2	6	4	4.4
A331	332159	6620699	2	6	4	3.2
A334	332219	6620699	5	7	2	2.5
A335	332239	6620699	2	3	1	4.2
A336	332259	6620699	4	6	2	3.0
A337	332279	6620699	2	5	3	2.7
A338	332299	6620699	4	11	7	2.1
A339	332319	6620699	5	7	2	4.0
A341	332359	6620699	9	11	2	3.1
A342	331780	6620901	6	8	2	2.3
A343	331799	6620901	3	7	4	2.5
A344	331819	6620900	3	7	4	5.3
A345	331839	6620900	5	6	1	9.6
A346	331859	6620900	5	6	1	4.8
A347	331879	6620901	2	6	3	3.8
A348	331900	6620901	4	5	1	6.8
A349	331919	6620902	2	3	1	9.9
A350	331939	6620903	2	3	1	3.5
A352	331980	6620902	1	8	7	3.9
A353	332000	6620901	4	7	3	4.1
A354	332019	6620901	3	7	4	4.2
A355	332040	6620900	4	5	1	8.3
A356	332059	6620899	3	10	7	4.1
A357	332079	6620899	5	10	5	4.0
A358	332099	6620899	4	8	4	6.6
A359	332120	6620899	3	9	6	2.1
A360	332139	6620899	4	11	7	3.1
A361	332160	6620900	4	11	7	8.1
A362	332179	6620901	0	7	7	6.7
A364	332219	6620900	3	7	4	5.3
A365	332239	6620900	4	11	7	2.1
A367	332280	6620900	3	4	1	3.0
A368	332299	6620901	4	11	7	2.0
A370	332340	6620900	8	12	4	3.3
A371	332360	6620900	7	12	5	2.4
A401	331440	6617465	10	11	1	11.5
A402	331460	6617464	7	14	7	3.7

Hole Number	MGA East	MGA North	From m	To m	Interval m	% HM
A149	331579	6618899	6	8	2	2.7
A150	331599	6618902	7	9	2	3.5
A403	331480	6617464	8	14	6	3.7
A404	331500	6617464	9	14	5	3.4
A405	331520	6617464	10	13	3	20.4
A406	331540	6617464	8	14	6	5.5
A407	331560	6617464	6	10	4	8.0
A408	331580	6617464	5	9	4	10.1
A409	331600	6617464	5	10	5	6.1
A410	331620	6617464	5	6	1	19.0
A411	331640	6617464	6	7	1	5.5
A412	331660	6617464	4	5	1	7.4
A413	331680	6617464	2	4	2	10.1

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

For more information on the company visit www.imageres.com.au

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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.