



**IMAGE**  
RESOURCES

**INTERIM  
FINANCIAL  
REPORT  
HY2024**



Image Resources NL  
ABN 57 063 977 579

**TARGETING  
SUSTAINABLE  
GROWTH**



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Your directors present their report, together with the financial statements of the Group, being Image Resources NL and its controlled entities, for the half-year ended 30 June 2024 compared with the half-year ended 30 June 2023.

## DIRECTORS

The following persons were directors of Image Resources NL (Image or the Company) during the whole of the half-year and up to the date of this report, unless otherwise stated:

Mr Robert Besley  
Mr Patrick Mutz  
Mr Aaron Chong Veoy Soo  
Mr Peter Thomas  
Ms Ran Xu  
Mr Winston Lee

## OPERATING AND FINANCIAL REVIEW

### Operating Result

The Group loss from continuing operations for the half-year ended 30 June 2024 was \$5,158,000, down from a half year profit of \$4,622,000 in 1H 2023, mainly due to Boonanarring mine being on care and maintenance for the full 2024 half-year.

### Review of Operations

Image Resources NL and its controlled entities (the Group) completed the final full half year of mining and processing operations at Boonanarring on 30 June 2023. Final HMC production at Boonanarring was completed in Q3 2023 and the final HMC shipment/sale was completed in Q4 2023, with plans to relocate mining and processing operations to Atlas once final permitting approvals for Atlas were received.

There was no HMC production in the half year ended 30 June 2024 as final permitting for Atlas was delayed due to regulatory departments' inability to meet guideline timelines. Due to these delays, the next production of HMC is forecast to commence at Atlas in the half year ending 30 June 2025.

The Group is committed to the development of the Atlas project, followed by the development of the Yandanooka project, with funding for Yandanooka potentially being at least partially sourced from internally generated cashflows from Atlas, supplemented as necessary with debt and/or equity. Working capital funding for Atlas is currently being considered with a focus on debt in the form of an unsecured HMC offtake prepayment facility or classic secured loan.

### Underlying EBITDA

Underlying EBITDA, defined as earnings before interest, tax, depreciation and amortisation, and other expenses is used as a key measure of the Group's financial performance. The reconciliation of the underlying EBITDA to the financial metrics reported in the 1H 2024 financial statements under Australian Accounting standards is presented below.

	6 months to 30 June 2024 (A\$000's)	6 months to 30 June 2023 (A\$000's)
Operating sales revenue	-	81,060
Costs of sales excluding depreciation and amortisation	-	(48,721)
<b>Underlying EBITDA</b>	<b>-</b>	<b>32,339</b>
Care and maintenance (closed sites)	(2,357)	-
Depreciation and amortisation	-	(19,558)
Exploration, corporate and other	(4,474)	(5,983)
Realised foreign currency gain	541	450
Finance costs (net)	(1,325)	(682)
<b>(Loss) profit before tax</b>	<b>(7,615)</b>	<b>6,566</b>
Income tax expense	2,457	(1,944)
<b>Net (loss) profit after tax</b>	<b>(5,158)</b>	<b>4,622</b>

### Financial Review

The Group finished the half year ended 30 June 2024 (1H 2024) effectively debt-free, and with A\$34.2m in cash and cash equivalents (1H 2023: A\$62.5m).

During 1H 2024, the Group did not declare a dividend. The Group did not pay corporate tax during 1H 2024 (1H 2023: A\$6.6 million). The Group anticipates a tax refund in Q3 2024 of \$4,774,000.

### Corporate

All resolutions considered at the Group's May 2024 annual general meeting were approved.

### Boonanarring

During 2H 2023, the Boonanarring operation mine rehabilitation program was placed on care and maintenance to conserve cash.

### Project Development

#### Atlas Development

The Atlas mineral sands project is 100%-owned and was included as part of Image's Boonanarring/Atlas BFS published in 2017 and was contemplated to be mined after all available Ore Reserves at Boonanarring were mined out and ore processing was completed. Final ore processing at Boonanarring was completed in August 2023 and the final shipment of HMC was completed in November 2023. The Group closed out CY2023 with cash reserves of \$46 million, with plans to self-fund the relocation of mining and processing equipment from Boonanarring to Atlas once Atlas permitting was finalised, assuming minimal further permitting delays.

Significant progress was made on Atlas permitting during Q2 2024 which is forecast to lead to the commencement of construction at Atlas in Q3 2024 and forecast HMC production/sales in Q1 2025.

On 23 May 2024, the Group announced that it had received Ministerial approval under Part IV of the Environmental Protection Act 1986 for the proposed development of its Atlas Mineral Sands Project. On 10 June 2024, Image announced commencement of preliminary works activities at Atlas regarding the construction of the mining camp located outside of the mining lease, and planned dismantling of the Boonanarring WCP in preparation for relocation to Atlas.

Substantial progress has been made on Atlas permitting subsequent to the end of 1H 2024 which is detailed in the 'Significant Events Subsequent to Reporting Date' sections later in this report.

Atlas is located approximately 170km north of Perth (80km north of Boonanarring). For details of the Ore Reserve estimate and key feasibility statistics, see ASX: 21 December 2022: Revised Announcement – Atlas Project Ore Reserve Update.

Following receipt of long-lead items, including the innovative CT1 mineral separation spirals and flex plant from Mineral Technologies and camp accommodation/facilities, the updated remaining capital spend for Atlas as at 30 June 2024 was estimated at A\$35 million (including 15% contingency).

The Group is committed to the development of the Atlas project, followed by the development of the Yandanooka project, with funding for Yandanooka being at least partially sourced from internally generated cashflows from Atlas, supplemented as necessary with debt and/or equity. Working capital funding for Atlas is currently being considered with a focus on debt in the form of an unsecured HMC offtake prepayment facility or classic secured loan.

### **Yandanooka PFS**

During the half year ended 30 June 2024 the Group completed a PFS for its 100%-owned Yandanooka mineral sands project. Yandanooka has a shorter development timeline than the Group's other projects, including Bidaminna, McCalls and Mindarra Springs, due to lower-level environmental sensitivities and minimal heritage considerations as it is located on private farmland.

On 19 April 2024, the Group announced results of the PFS, along with an updated Mineral Resources estimate ("MRE") and maiden Ore Reserves estimate for Yandanooka which is located approximately 300 km north of Perth in the infrastructure-rich North Perth Basin in Western Australia (see ASX: 19 April 2024: Strong Feasibility Results Yandanooka Project).

The robust economics for the Yandanooka deposit, based on producing and selling an HMC product, means that Yandanooka is being pursued to follow on the heels of the Atlas development and could be operational in parallel with Atlas for a time. Yandanooka's projected longer mine life will also serve to advance the potential for future HMC separation and conversion of ilmenite to synthetic rutile ("SR") using Image's proposed novel SR production technology.

Based on the positive results of the Yandanooka PFS, it is being upgraded to BFS standard based on the same development methodology as used for the successful Boonanarring project. However, given components of the Boonanarring plant are slated for use at Atlas, the initial Yandanooka development capital in the PFS is expected to increase by approximately \$22 million, for replacement equipment, and will be captured in the BFS now planned to be completed in Q4 2024.

### **Bidaminna BFS**

In an effort to conserve cash for the development of Atlas, work on the Bidaminna BFS was temporarily curtailed. Results of the Bidaminna PFS were announced in June 2023 (ASX: 27 June 2023: PFS Results - Bidaminna Mineral Sands Project).

The BFS will be based on a number of optimisation steps as well as an updated MRE which will build on the latest MRE announced in February 2023 (ASX: 28 February 2023: Mineral Resources Update Bidaminna Project).

### **Value-Adding SR Innovation**

Positive test results on upgrading Bidaminna ilmenite to SR have opened the door to the significant value-adding opportunity of upgrading ilmenite from Yandanooka, McCalls and Mindarra Springs. Importantly, the potential for multi-decade operating life from these projects could serve to support justification for capital expenditure for SR production in the event future feasibility studies and proposed demonstration plant operating results are determined to be positive.

The concept study for a potential SR production facility, with a significantly reduced carbon footprint compared to existing SR production technology, continued to progress during the reporting period. Post the filing of an initial patent in Q4 2023 on a novel SR production process, further evaluation of the process has resulted in the drafting of a second patent application. A specialist, innovative technology development consultant has also been engaged to conduct an SR production scoping study. Initial work based on first principles indicates the process is feasible both technically and economically and that the process could add significant economic benefits to Image's future projects with HMC production.

## **SIGNIFICANT EVENTS SUBSEQUENT TO REPORTING DATE**

Subsequent to the end of the reporting period, on 18 July, Image received notice from the Commonwealth on its proposed conditions on land offset requirements for Atlas under the Environment Protection and Biodiversity Conservation Act 1999 ("EPBC Act"), and on 19 July 2024, Image received approval of the Atlas Mining Proposal from the Department of Energy, Mines, Industry Regulation and Safety ("DEMIRS") which encompasses project construction and operation.

In addition, on 6 August 2024 Image received final approval for the Atlas project development from the Commonwealth as required under the EPBC Act as well as approval of the Offset Environmental Management Plan from the EPA.

Finally, on 8 August 2024 Image received approval of the Banksia Woodlands Rehabilitation Environmental Management Plan from the EPA, and on 9 August 2024, Image announced receipt of final approvals required to allow commencement of construction at Atlas in Q3 2024.

There have been no other material significant matters or circumstances that have arisen subsequent to the end of the reporting period which have had, or are likely to have, a material impact on the operations of the Group or the financial statements.

**FORWARD-LOOKING STATEMENTS**

Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the mining industry, expectations regarding prices, exploration or development costs and other operating results, growth prospects and the outlook of Image's operations, contain or comprise certain forward-looking statements regarding Image's operations, economic performance and financial condition. Although Image believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct.

Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes that could result from future acquisitions of new exploration properties, the risks and hazards inherent in the mining business (including industrial accidents, environmental hazards or geologically related conditions), changes in the regulatory environment and other government actions, risks inherent in the ownership, exploration and operation of or investment in mining properties, fluctuations in prices and exchange rates and business and operations risks management, as well as generally those additional factors set forth in our periodic filings with ASX.

**INDEPENDENCE DECLARATION BY AUDITOR**

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 7 for the half-year ended 30 June 2024.

This report has been signed in accordance with a resolution of Directors.

For and on behalf of the Directors



**SIGNED: Patrick Mutz**  
Managing Director  
Perth 5<sup>th</sup> September 2024

**ELDERTON**  
AUDIT PTY LTD

**Auditor's Independence Declaration**

To those charged with the governance of Image Resources NL:

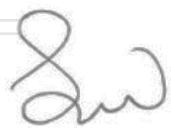
As independent auditor for the review of Image Resources NL for the half-year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- (i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Image Resources NL and the entities it controlled during the period.

Elderton Audit Pty Ltd.

**Elderton Audit Pty Ltd**



**Sajjad Cheema**  
Director

5<sup>th</sup> September 2024  
Perth



**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 30 JUNE 2024**



	Note	6 months to 30 Jun 2024 (\$000)	6 months to 30 Jun 2023 (\$000)
<b>Continuing operations</b>			
Operating sales revenue		-	81,060
Cost of sales	3	-	(59,636)
Gross profit		-	21,424
Government royalties		-	(3,811)
Shipping and other selling costs		-	(4,832)
Care and maintenance – closed sites		(2,357)	-
Corporate expenses		(3,518)	(3,470)
Exploration and evaluation expenses		(1,009)	(2,535)
Other income		53	22
Net foreign exchange gain		541	450
Operating profit / (loss)		(6,290)	7,248
Finance income		826	325
Financing costs	4	(2,151)	(1,007)
Profit / (loss) before tax		(7,615)	6,566
Income tax benefit / (expense)		2,457	(1,944)
<b>Profit / (loss) for the year from continuing operations</b>		(5,158)	4,622
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Changes in the fair value of financial assets measured at fair value through other comprehensive income		(1)	-
<i>Items that will not be reclassified to profit or loss</i>			
Hedging loss		-	(427)
Other comprehensive loss for the period, net of tax		(1)	(427)
<b>Total comprehensive income / loss for the period, net of tax</b>		(5,159)	4,195
Net profit / (loss) attributable to owners of Image Resources NL		(5,158)	4,622
Total comprehensive income / (loss) attributable to owners of Image Resources NL		(5,159)	4,195
<b>Earnings per share</b>		<b>Cents</b>	<b>Cents</b>
Basic profit / loss per share (cents per share)		(0.47)	0.43
Diluted profit / loss per share (cents per share)		(0.47)	0.38

The accompanying notes form part of these financial statements.



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**



	Notes	30 Jun 2024 (\$000)	31 Dec 2023 (\$000)
<b>Current Assets</b>			
Cash and cash equivalents		34,209	46,197
Trade and other receivables	5	6,187	2,654
Inventory	6	2,060	2,077
Other financial assets		1,351	2,862
<b>Total Current Assets</b>		43,807	53,790
<b>Non-Current Assets</b>			
Property, plant and equipment	7	104,361	99,116
Other financial assets		1,552	2,364
Deferred tax assets		9,320	10,395
<b>Total Non-Current Assets</b>		115,233	111,875
<b>TOTAL ASSETS</b>		159,040	165,665
<b>Current Liabilities</b>			
Trade and other payables		2,585	4,680
Provisions		1,212	4,356
Borrowings		310	111
<b>Total Current Liabilities</b>		4,107	9,147
<b>Non-Current Liabilities</b>			
Provisions		50,732	45,798
Borrowings		752	-
<b>Total Non-Current Liabilities</b>		51,484	45,798
<b>TOTAL LIABILITIES</b>		55,591	54,945
<b>NET ASSETS</b>		103,449	110,720
<b>Equity</b>			
Issued capital	8	124,570	126,893
Reserves	8	18,272	18,062
Accumulated losses		(39,393)	(34,235)
<b>TOTAL EQUITY</b>		103,449	110,720

*The accompanying notes form part of these financial statements.*

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 30 JUNE 2024**



	Issued Capital (\$000)	Profit Reserve Account (\$000)	Other Reserves (\$000)	Accum'd Losses (\$000)	Total (\$000)
<b>Balance at 1 January 2023</b>	<b>127,331</b>	<b>18,682</b>	<b>31</b>	<b>(29,847)</b>	<b>116,197</b>
Operating profit for the period	-	-	-	4,622	4,622
Other comprehensive income	-	-	(427)	-	(427)
Transfer to profit reserve - dividend	-	4,622	-	(4,622)	-
Total comprehensive profit	-	4,622	(427)	-	4,195
<i>Transactions with owners in their capacity as owners</i>					
Other financial assets fair value movement	-	-	(4)	-	(4)
Dividend paid	-	-	-	-	-
Warrants cancelled during the year	-	-	(266)	266	-
Options cancelled during the year	-	-	(54)	54	-
Shares cancelled during the year	(117)	-	-	-	(117)
Cost of share issue	-	-	-	-	-
Total transactions with owners in their capacity as owners	(117)	-	(324)	320	(121)
<b>Balance at 30 June 2023</b>	<b>127,214</b>	<b>23,304</b>	<b>(720)</b>	<b>(29,527)</b>	<b>120,271</b>
<b>Balance at 1 January 2024</b>	<b>126,893</b>	<b>18,682</b>	<b>(620)</b>	<b>(34,235)</b>	<b>110,720</b>
Operating loss for the period	-	-	-	(5,158)	(5,158)
Other comprehensive income	-	-	(1)	-	(1)
Other comprehensive income – tax affect	-	-	(71)	-	(71)
Total comprehensive profit	-	-	(72)	(5,158)	(5,230)
<i>Transactions with owners in their capacity as owners</i>					
Performance rights issued during the year	-	-	282	-	282
Shares cancelled during the year	(2,323)	-	-	-	(2,323)
Total transactions with owners in their capacity as owners	(2,323)	-	282	-	(2,041)
<b>Balance at 30 June 2024</b>	<b>124,570</b>	<b>18,682</b>	<b>(410)</b>	<b>(39,393)</b>	<b>103,449</b>

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 30 JUNE 2024**



	<b>6 months to 30 Jun 2024 (\$000)</b>	<b>6 months to 30 Jun 2023 (\$000)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	-	81,592
Payments to suppliers and contractors	(7,093)	(53,081)
Other income	51	22
Interest received	769	257
Interest paid	(327)	(1,099)
Income tax paid	-	(6,551)
<b>Net cash from operating activities</b>	<b>(6,600)</b>	<b>21,140</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment for security deposit	(206)	-
Purchase of property, plant and equipment	(1,642)	(7,634)
Payments for exploration and evaluation	(3,961)	(3,394)
<b>Net cash used in investing activities</b>	<b>(5,809)</b>	<b>(11,028)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(122)	-
Dividends paid	-	(980)
<b>Net cash used in financing activities</b>	<b>(122)</b>	<b>(980)</b>
<b>Net (decrease) / increase in cash held</b>	<b>(12,531)</b>	<b>9,132</b>
Cash at the beginning of the financial period	46,197	53,455
Effect of exchange fluctuations on cash held	543	(110)
<b>Cash at the end of the financial period</b>	<b>34,209</b>	<b>62,477</b>

*The accompanying notes form part of these financial statements.*

## NOTE 1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

### Basis of Preparation

These general-purpose financial statements for the interim half-year reporting period ended 30 June 2024 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard 134: *Interim Financial Reporting*.

The consolidated financial statements of the Group, as at and for the half-ended 30 June 2024, comprises Image Resources NL and its wholly-owned subsidiaries (together referred as the Group). These financial statements were approved by the Board of Directors on the date of the Directors Declaration.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the Group. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year. It is therefore recommended that this financial report be read in conjunction with the annual financial statements for the year ended 31 December 2023, together with any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

### Going Concern

The Group recognises that its ability to continue as a going concern to meet its debts when they fall due is dependent on successful construction and transition to HMC production and product sales from its 100%-owned Atlas project and return to profitable mining and processing operations. The Directors have reviewed the business outlook, taking into account the progress made in permitting to allow commencement of construction at Atlas and the fact that significant cash flow is forecast to be generated from Atlas operations, and are of the opinion that the use of the going concern basis of accounting is appropriate.

### Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

## NOTE 2 SEGMENT INFORMATION

### Identification of reportable segments

The Group has identified that it operates in only one segment based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group is a Mineral Sands mining Group having successfully operated its 100% owned high-grade zircon rich Boonanarring mine located in the North Perth Basin of Western Australia and advancing to its second operation at Atlas located 120km north of Boonanarring. Currently all the Group's substantial mineral sands portfolio of tenements and minor gold tenements, containing all the Group's Ore Reserves and Mineral Resources, are located in Western Australia.

### Revenue and assets by geographical region

The Group operates wholly within the geographical location of Australia with all of its assets located there. All HMC product revenue has historically been received from two offtake customers based in China.

	6 months to 30 Jun 2024 (\$000)	6 months to 30 Jun 2023 (\$000)
<b>NOTE 3 COST OF SALES</b>		
Mine operating costs	-	36,375
Depreciation and amortisation	-	17,657
Amortisation of capitalised borrowing costs	-	1,901
Inventory movement	-	3,703
	-	59,636

Cost of goods sold is in the inventory value of each tonne of finished product sold. All production is added to inventory at cost, which includes direct costs and depreciation and amortisation. The inventory value recognised as cost of goods sold for each tonne of finished product sold is the weighted average value per tonne for the stockpile from which the product is sold.

Inventory movement represents the movement in balance sheet inventory stockpiles, including the non-cash depreciation and amortisation components and movement in the net realisable value adjustments.

<b>NOTE 4 FINANCING COSTS</b>		
Interest expense	327	1,007
Unwinding of rehabilitation discount	1,824	-
	2,151	1,007

Refer to note 8 for the accounting policy on borrowing/financing costs.

	30 Jun 2024 (\$000)	31 Dec 2023 (\$000)
<b>NOTE 5 TRADE AND OTHER RECEIVABLES</b>		
GST and tax refundable	139	191
Income tax refundable	4,774	1,314
Restricted cash – security for guarantee	348	142
Prepayments	708	852
Other receivables	218	155
	6,187	2,654

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. Trade receivables amounts reflect sales of mineral sands and are backed by a letter of credit when the ship dispatches. Funds are received from the letter of credit in US dollars generally within five business days from the date the ship dispatches.

Due to the short-term nature of current receivables, their carrying amount is assumed to be the same as their fair value.

The income tax refundable of \$4.77 million (30 June 2023: Nil) represents an amendment to the 2022 income tax return of \$1.06 million and a refund of income tax paid from the 2023 income tax return of \$3.71 million.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 30 JUNE 2024**



**30 Jun 2024**      **31 Dec 2023**  
**(\$000)**              **(\$000)**

**NOTE 6 INVENTORIES**

Stores and consumables – at cost

2,060      2,077  
2,060      2,077

Plant and Equipment (\$000)	Land and Buildings (\$000)	Mine Developm't (\$000)	Borrowing Costs (\$000)	Right of Use Assets	Exploration (\$000)	Total (\$000)
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**NOTE 7 PROPERTY, PLANT AND EQUIPMENT**

**Year ended 31 December 2023**

Balance at 1 January 2023	15,931	26,068	23,644	2,460	209	38,733	107,045
Additions	8,584	3	2,099	-	168	4,340	15,194
Mine closure and rehabilitation asset	-	-	1,526	-	-	-	1,526
Asset Transfer	2,962	(2,000)	(962)	-	-	-	-
Disposals	(1)	-	-	-	-	-	(1)
Impairment	-	(2,230)	-	-	-	-	(2,230)
Depreciation	(1,787)	-	(17,913)	(2,460)	(258)	-	(22,418)
Closing Net Book Value	25,689	21,841	8,394	-	119	43,073	99,116

**At 31 December 2023**

Cost	78,482	21,841	88,401	21,968	886	43,073	254,651
Accumulated Depreciation	(52,793)	-	(80,007)	(21,968)	(767)	-	(155,535)
Net Book Value	25,689	21,841	8,394	-	119	43,073	99,116

**Half year ended 30 June 2024**

Balance at 1 January 2023	25,689	21,841	8,394	-	119	43,073	99,116
Additions	919	7	892	-	1,072	2,595	5,485
Depreciation	(116)	-	-	-	(124)	-	(240)
Closing Net Book Value	26,492	21,848	9,286	-	1,067	45,668	104,361

**At 30 June 2024**

Cost	80,147	21,848	89,293	21,968	1,212	45,668	260,136
Accumulated Depreciation	(53,655)	-	(80,007)	(21,968)	(145)	-	(155,775)
Net Book Value	26,492	21,848	9,286	-	1,067	45,668	104,361

- Mine development expenditure additions incurred during the half year ended 30 June 2024 consisted of expenditure incurred on developing the Atlas project of \$0.9million (30 June 2023 \$6.8 million)

**NOTE 7 PROPERTY, PLANT AND EQUIPMENT (CONT'D)**

- Exploration expenditure associated with the acquisition of tenements and expenditure incurred on those tenements is capitalised if it is considered that the expenditure incurred will be recouped through the successful development and exploitation of the area of interest. During the half year ended 30 June 2024 expenditure was incurred on a pre-feasibility study and the commencement of a bankable feasibility study on the Yandanooka project.

	30 Jun 2024 (\$000)	31 Dec 2023 (\$000)
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**NOTE 8 ISSUED CAPITAL**

**Ordinary share capital**

Issued and fully paid	124,570	126,893
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	30 Jun 2024	
	Number	(\$000)
At 1 January 2024	1,081,242,100	126,893
Share issue – At the market subscription shares	55,000,000	-
Employee share plan shares cancelled	(14,154,714)	(2,323)
At 30 June 2024	1,122,087,386	124,570

	30 Jun 2024 (\$000)	31 Dec 2023 (\$000)
<b>Reserves</b>		
Fair value reserve of financial assets	3	5
Share based payments reserve	282	-
Warrants reserve	-	-
Profits reserve account	18,682	18,682
Other reserves - OCI	(695)	(625)
	18,272	18,062

	6 months to 30 Jun 2024 (\$000)	6 months to 30 Jun 2023 (\$000)
<b>Share Based Payments Reserve</b>		
Balance at the beginning of the period	-	-
Performance rights valuation allocation	282	-
Balance at the end of the period	282	-
<b>Profits Reserve Account</b>		
Balance at the beginning of the period	18,682	18,682
Transfer from accumulated profits	-	4,622
Dividend paid	-	-
Balance at the end of the period	18,682	23,304



**NOTE 8 ISSUED CAPITAL (CONT'D)**

	30 Jun 2024 Number	31 Dec 2023 Number
<i>Share Based Payments Reserve</i>		
Balance at the beginning of the period	3,761,066	-
Unquoted performance rights issued	26,756,504	3,761,066
Balance at the end of the period	30,517,570	3,761,066

During the half year period ending 30 June 2024 26,756,504 performance rights were issued to key management personnel of the Company, with the majority being escrowed under a long-term incentive award program which has a 3-year vesting period and is performance-based and weighted towards share price performance.

The Black-Scholes option pricing model was used to value the performance rights which considers the exercise price, the term of the rights, the share price at grant date, the expected price volatility of the underlying share and the risk-free interest rate for the term of the performance rights. The expense recognised during the half year period in respect of performance rights was \$282,000 reported under corporate expenses.

**NOTE 9 TENEMENT EXPENDITURE COMMITMENTS**

The Group has certain obligations to perform minimum exploration work on tenements held. These obligations vary from time to time in accordance with contracts signed. Tenement rentals and minimum expenditure obligations, that may be varied or deferred on application, are expected to be met in the normal course of business.

The minimum statutory expenditure requirement on the granted tenements for the next twelve months amounts to \$1,984,120. The Group no longer has any joint ventures over any of its tenements.

The tenements are subject to legislative requirements with respect to the processes for application, grant, conversion and renewal. Tenements are also subject to the payment of annual rent and the meeting of minimum annual expenditure commitments. There is no guarantee that any applications, conversions or renewals for the Group's tenements will be granted.

**NOTE 10 SIGNIFICANT EVENTS SUBSEQUENT TO REPORTING DATE**

Subsequent to the end of the reporting period, on 18 July, Image received notice from the Commonwealth on its proposed conditions on land offset requirements for Atlas under the EPDC Act, and on 19 July 2024, Image received approval of the Atlas Mining Proposal from DEMIRS which encompasses project construction and operation.

In addition, on 6 August 2024 Image received final approval for the Atlas project development from the Commonwealth as required under the EPBC Act as well as approval of the Offset Environmental Management Plan from the EPA.

Finally, on 8 August 2024 Image received approval of the Banksia Woodlands Rehabilitation Environmental Management Plan from the EPA, and on 9 August 2024, Image announced receipt of final approvals required to allow commencement of construction at Atlas in Q3 2024. There have been no other material significant matters or circumstances that have arisen subsequent to the end of the reporting period which have had, or are likely to have, a material impact on the operations of the Group or the financial statements.

## DIRECTORS' DECLARATION



The directors of the Company declare that:

1. the accompanying financial statements and notes:
  - (a) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the financial position of the Group as at 30 June 2024 and its performance for the half-year ended on that date.
2. in the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors:

A handwritten signature in blue ink, appearing to read "Patrick Mutz".

**SIGNED BY PATRICK MUTZ**

Managing Director

Perth

Dated this 5<sup>th</sup> day of September 2024



## ELDERTON

AUDIT PTY LTD

### Independent Auditor's Review Report

To the members of Image Resources NL

#### Report on the Half-Year Financial Report

##### **Conclusion**

We have reviewed the half-year financial report of Image Resources NL (the 'Company') and its subsidiaries ("the Group"), which comprises the condensed consolidated statement of financial position as at 30 June 2024, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Image Resources NL is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

##### **Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

##### **Independence**

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

**Director's Responsibility for the Half-Year Financial Report**

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Elderton Audit Pty Ltd.

**Elderton Audit Pty Ltd**

A handwritten signature in black ink, appearing to read "Sajjad Cheema".

**Sajjad Cheema**  
Director

5<sup>th</sup> September 2024  
Perth