IMAGE RESOURCES

ANNUAL FINANCIAL REPORT 2024

Corporate Directory

DIRECTORS

Mr Robert Besley	Non-Executive Chair
Mr Patrick Mutz	Managing Director
Mr Aaron Chong Veoy Soo	Non-Executive Director
Ms Ran Xu	Non-Executive Director
Mr Winston Lee	Non-Executive Director
Mr Peter Thomas	Non-Executive Director

COMPANY SECRETARIES

Mr Dennis Wilkins (DWCorporate Pty Ltd)
Mr John McEvoy

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STOCK EXCHANGE

Australian Securities Exchange (ASX)
ASX Code - IMA (Fully paid shares)

ISSUED CAPITAL

1,113,448,321 fully paid ordinary shares

Contents

Image Resources NL ("Image" or "the Company") review of operations for CY2024.

CY2024 was a very challenging year for the Company as it received zero revenue from operations for the full year. Mining operations at Boonanarring were completed in the latter part of CY2023 with final revenue from operations from the sale of Boonanarring heavy mineral concentrate ("HMC") received in November 2023.

Image's operational strategy, as outlined in its 2017 Bankable Feasibility Study, was for the self-funded development of the Atlas project following the completion of mining and processing at Boonanarring. And, while the implementation of this strategy is technically still being followed, the receipt of final permitting for Atlas construction was delayed by more than a year due to a variety of factors outside of Image's control including regulators adjusting the review processes and conditions for rehabilitation and land offset requirements regarding the clearing of Banksia Woodlands which are classified as TECs under the Biodiversity Conservation Act and associated regulations of 2018, the introduction and later rescinding of the WA Aboriginal Cultural Heritage Act 2021 and associated regulations of 2022 which resulted in substantial delays in conducting heritage surveys, and the inability of regulatory departments, esp. WA EPA, to meet their internal timelines for the various steps in processing mining applications, due in part to labour shortages.

While the Company's cash balance at 31 December 2023 was A$46.2 million and sufficient to self-fund the construction at Atlas, the delay in receipt of construction permits required a disciplined cash conservation approach throughout CY2024 to ensure Atlas construction could be so funded. Cash conservation measures included delaying work on secondary projects including Bidaminna, McCalls, mineral separation plant feasibility study, synthetic rutile research, mineral sands and gold project exploration, and also deferring rehabilitation activities at Boonanarring.

The key focus areas for CY2024 were finalising environmental permitting and advancing construction for the Company's 100%-owned Atlas project. A Preliminary Feasibility Study ("PFS") was also completed for the Company's 100%-owned Yandanooka project with positive results announced 19 April 2024 (ASX: "Strong Feasibility Results - Yandanooka Project").

Initial Atlas permitting activities commenced in Q4 2019. Despite the Company's and its consultant's best efforts to push the permitting process, final approval for the commencement of construction at Atlas was not received until early August 2024. Immediately following this date, construction crews were mobilised to Atlas to commence site development and construction.

Construction at Atlas advanced rapidly from the second half of August 2024. The Atlas accommodation camp (Nambung Village) construction was completed in early September. Dismantling of the Boonanarring wet concentration plant and associated equipment was also completed in September in preparation for transport to Atlas.

In November 2024 the Atlas site was affected by a major bushfire that burned on all sides of the construction area. Thanks to the diligent efforts of a small crew of employees and contractors that remained on site, in coordination with DFES personnel, to defend against spot fires and expand fire breaks, the initial fire burned through the area without affecting the construction areas or the mining camp. However, secondary fires from changing wind directions did result in minor damage to slurry pipelines and related equipment.

Despite the loss of approximately a week of construction time due to site evacuation for the bushfire in November, upon returning to the site, construction activities were accelerated and plant and equipment from Boonanarring was relocated to Atlas and largely erected and fitted with piping and electrical by the end of December 2024.

The Atlas development team, comprising Image employees and the experienced team from ProjX that managed the successful build at Boonanarring, made tremendous progress during November and December to make up for the lost time from the bushfire evacuation. The development team's success bolstered confidence that Image will complete its second mineral sands project development in accordance with the Company's board approved 2024 forecast and schedule.

Working Capital Funding

While the Company's cash reserves at the end of CY2023 were sufficient to self-fund the construction at Atlas, the extended permitting delays did require Image to consider additional funding for working capital to get to first revenue from the sale of Atlas HMC. While conventional debt funding was investigated, the short operating mine life for Atlas proved to be a disqualifying factor for such funding. However, funding on more favourable terms than conventional debt was secured through Image's long-standing HMC offtake partner Shantou Natfort Zirconium and Titanium Co., Ltd ("Natfort") in China through an Offtake Prepayment Facility for US$20 million.

While the original Prepayment Facility for US$20 million was executed with Natfort in October 2024, in November 2024, a decision was made to minimise the risk to Image of having a single funding provider, and to allow a second fund provider (Billion Sunny Investment Limited) to participate and provide US$10 million (50% of the original Prepayment Facility amount).

Drawdown of an initial US$5 million from the Natfort Prepayment Facility occurred in late December 2024, and the balance of US$5 million from Natfort plus US$10 million from the Billion Prepayment Facility were drawndown and received subsequent to the end of the reporting period in January 2025.

Strategy

In contrast to Image's Chapter 1 simple business model of operating Boonanarring and then Atlas as one mine at a time, producing a single product (HMC) and marketing the HMC to a single geographical jurisdiction (China), the Company is advancing studies on its other 100%-owned projects under its Chapter 2 ambitions which involve multiple mines operating simultaneously, producing multiple products including potentially synthetic rutile, and marketing into multiple geographic jurisdictions.

The Company published a positive Pre-Feasibility Study (PFS) on its Yandanooka project on 19 April 2024, and due to the positive results, work on a Bankable Feasibility Study (BFS) was started. However, due to the cash conservation measures adopted to ensure Atlas construction could be self-funded, the BFS was put on hold. Work is continuing to secure a mining lease over the area and to advance negotiations with the landholder for access for mining. The strategic objective is for mining to commence at Yandanooka prior to the completion of mining at Atlas. The development timeline for Yandanooka is anticipated to be shorter than any of Image's other projects due to lower environmental and heritage sensitivities.

Looking Forward

CY2025 is shaping up to be a milestone year with the return to mining and HMC production at Atlas, as well as a return to positive cash flow in the first half of the year and the forecast repayment of the Prepayment Facilities by the end of the calendar year through the delivery of HMC.

A BFS for the Yandanooka project is scheduled to be completed during CY2025 which will allow advancing the project towards financing through a combination of debt and cash flow generated from Atlas.

In addition, the Company is considering plans to acquire and assemble a synthetic rutile ("SR") pilot or demonstration plant at the Boonanarring site to test the Company's proposed novel SR production technology which is covered by a provisional patent. Demonstrating the technical and economic aspects of this technology has the potential to considerably enhance the overall economics of the Company's future mining operations for decades.

2024 in Review

Operations

The original operating plan published in the 2017 Bankable Feasibility Study was for mining and processing operations to be relocated from Boonanarring to Atlas following the depletion of Ore Reserves at Boonanarring. This relocation was delayed longer than originally planned due to delays in receipt of environmental permitting and other regulatory approvals for construction and mining at Atlas.

Following receipt of all relevant approvals in August 2024, relocation of mining and processing equipment, and site construction accelerated rapidly and was funded from cash reserves. Mining at Atlas commenced in September 2024 with first HMC production forecast for Q1 2025 and actually achieved, subsequent to the end of the reporting period, on 19 February 2025.

HMC sales for Atlas are fully committed under existing HMC offtake agreements successfully used at Boonanarring, which includes market-based pricing, and with a portion of each shipment (notionally 25%) being allocated to repaying the US$20 million HMC Offtake Prepayment Facility.

Mineral Sands Commodity Prices and FX

The Company's HMC pricing model for both Boonanarring and Atlas is based on the underlying content of zircon (as % ZrO_2+HfO_2) and titanium dioxide (as % TiO_2) in the HMC and benchmark market prices for the various products (zircon, rutile, and ilmenite) at appropriate quality specifications. The majority of the value of Boonanarring HMC (circa 80%) was derived from the zircon content, whilst the value of Atlas HMC is expected to be relatively evenly split between zircon and titanium. Benchmark prices are denominated in USD.

Market pricing for mineral sands (zircon, ilmenite and rutile) remained relatively stable throughout 2024.

- Zircon: The average benchmark price for CY2024 was approximately US$2,050 per tonne.
- Ilmenite: The average benchmark price in CY2024 was approximately US$310 per tonne.
- Rutile: The average benchmark price for 2024 was slightly above US$1,200 per tonne.

Market Dynamics & Impact on HMC Pricing

The combination of relatively stable pricing for zircon, ilmenite, and rutile in CY2024 contributed to a consistent valuation environment for HMC forecast value such as for Atlas, albeit Image did not sell any HMC in CY2024. The Company would have also benefited from favourable FX conditions, supporting steady HMC forecast pricing. The market for Image HMC remains strong, with existing and potential new customers expressing interest in the timing of HMC for sale from Atlas, as well as future HMC or separated products from Yandanooka and proposed other Image development projects.

Corporate

During CY2024 the Company generated a Net Loss of A$9.4 million compared to CY2023 Net Loss of A$4.7 million. The higher loss was primarily due to Boonanarring being on care and maintenance for the whole of CY2024, whereas Boonanarring was operational for the majority of CY2023

As at 31 December 2024, Image had a healthy cash position of approximately A$20 million, which included A$8 million (US$5 million) December drawdown under an HMC Offtake Prepayment Facility (2023: A$46 million and no debt) with an additional A$24 million (US$15 million) received in early January 2025 from final drawdown under the HMC Offtake Prepayment Facilities which totalled US$20 million.

Growth and Sustainability

Growth Strategy

The Company's original operating strategy and plan outlined in its 2017 Bankable Feasibility Study ("BFS") was to mine and process all available Ore Reserves at Boonanarring and then self-fund the relocation of the mining fleet and processing equipment and support facilities to Atlas. That strategy and plan is still active, however, with completion of ore processing at Boonanarring in Q3 2023 and permitting for Atlas not finalised until August 2024, the gap in production between Boonanarring and Atlas was extended beyond that anticipated in the 2017 BFS. The original strategy of operating Boonanarring and Atlas in series and generating a single HMC product supplied to a single geographical jurisdiction is referred to as 'Chapter 1'.

"Looking to a Bright Future"

The current growth and sustainability strategy under the banner of Chapter 2 expanded on the original strategy and incorporates the potential development of multiple mining/processing operations operating simultaneously, producing multiple products through a mineral separation facility and potentially upgrading ilmenite to SR and expanding to a global market, subject as always to regulatory approvals, land access agreements where required, positive bankable feasibilities, project funding and final investment decisions.

In addition to the development of Atlas under the original strategy, the new strategy encompasses ambitions for studies and planning for the following:

- Fast-track development of dry mining and processing operations at 100%-owned Yandanooka project (and later Durack and others) in the Eneabba tenements area.
- Development of a standalone dredge mining operation at 100%-owned Bidaminna project.
- Development of hydraulic or dredge mining and processing operations at 100%-owned McCalls project.
- Construction of an MSP to capture the value-adding advantages of multiple products (including by-products such as monazite) and expanding the Company's market reach geographically, while capitalising on the opportunity for effective post-mining use of the land and installed infrastructure at Boonanarring.
- Potential for the construction of an SR production facility in the vicinity of the MSP, for the value-adding and market-expanding upgrading of ilmenite from Bidaminna, Yandanooka and McCalls to potentially lower carbon dioxide emissions SR by using hydrogen as the iron reductant, instead of coal as is used in current commercial processes.

Sustainability

ESG & Sustainability Reporting

During October 2024, Image finalised its second Annual Sustainability Report covering CY2023. The report highlighted the Company's efforts to reduce water consumption, reduce disposable wastes and the continuation of offsetting 25% of electricity requirements with renewal solar electricity from the solar farm installed on Image-owned land near Boonanarring.

Value-Adding Innovation

Positive test results on upgrading ilmenite have opened the door to the critical value-adding opportunity of upgrading ilmenite from Bidaminna, and from the Company's other development projects, to SR, using a novel processing technology that has the potential to substantially reduce carbon dioxide emissions compared to the currently used process technology. 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 project feasibility study results are determined to be positive.

Community

Image continues to proudly contribute to the local communities in which it operates, including through local employment and support for local community events.

Modern Slavery Statement

Image continues to implement initiatives under the Modern Slavery Act. Image completed and lodged its 3rd annual Modern Slavery Statement for CY2023 in June 2024.

Atlas Development

The Atlas project is located approximately 170km north of Perth in the Dandaragan Shire.

Construction of the accommodation camp commenced in June 2024 under a Development Application approved by the Dandaragan Shire, as the camp site is located outside of the Atlas project mining lease. Construction of the camp was completed at the end of August and immediately occupied by construction crews.

Project construction within the mining lease commenced in August 2024 with construction of the site entry road and the clearing of vegetation following receipt of final construction permits, and quickly advanced to topsoil stripping at the mine and civil construction for the processing plant including concrete pads. Construction was accelerated during the December quarter following receipt of the final regulatory permissions for mine development and project operations, being approval of the Groundwater Operating Strategy and grant of 5C water licences in October 2024.

In late November 2024, a massive, out of control bushfire burned through the Atlas project area requiring evacuation of construction crews and resulting in the loss of a week of construction activities due to Department of Fire and Emergency Services (DFES) mandated site evacuation. Fortunately, thanks to the superb efforts of a small crew of Image personnel and contractors with firefighting and heavy equipment operations experience, in coordination with DFES personnel, the accommodations camp and construction areas were protected from major fire damage. Minor amounts of piping, related fittings, and pipeline assembly equipment were damaged from secondary fires fuelled by strong winds. Following the passing of the initial front of the bushfire, Image provided accommodation to DFES personnel who remained in the area battling the fire as it continued towards the town of Cervantes.

Following the return of construction crews and Image personnel to the Atlas site in early December, construction progressed rapidly throughout the month, including the delivery and erection of the plant and equipment from Boonanarring and substantial progress on configuration of piping and electrical supply. Construction progress during Q4 2024 served to renew confidence in achieving the forecast goal of early-stage commissioning and first HMC production before the end of March 2025.

With the forecast return to HMC production and positive cashflow in Q2 2025, the Company will be investigating potential for regulatory approvals for mining the northern half of the Atlas deposit which extends to the north of the current approved mining footprint as well as the potential for regulatory approvals and any required land access agreements for mining and HMC production from Image's Helene and Hyperion projects located northwest of Atlas.

Yandanooka PFS

Image's 100%-owned Yandanooka mineral sands project is located approximately 300 km north of Perth in the infrastructure-rich North Perth Basin in Western Australia. During Q2 2024, the Company completed a PFS for Yandanooka (ASX: 19 April 2024: Strong Feasibility Results Yandanooka Project). Yandanooka has an expected shorter development timeline than the Company'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.

Project economics are based on an initial 8-year mine life at a processing rate of 420 tph rougher head feed. The throughput rate was determined based on the existing Boonanarring WCP capability (using the available spirals and quantities for each spiral stage).

Yandanooka PFS Highlights include:

- Pre-tax NPV8: A$151 million
- Pre-tax IRR8: 72%
- Initial Development Capital: A$50.3 million
- Capital payback (post first revenue): 15 months
- Project EBITDA: A$277 million
- Forecast mine-life: 8.2 years
- Total HMC production: 1.04 Mt

Based on the positive results of the PFS, this study 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 have been relocated to 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 anticipated to be completed in CY2025, pending finalisation of a land access agreement.

Bidaminna Pre-Development

The Bidaminna Project is a mineral sands deposit located in the Mid-West region of Western Australia, approximately 120 km north-northwest of Perth in the Shire of Gingin. Results on the Bidaminna PFS were announced in June 2023 (ASX: 27 June 2023: PFS Results - Bidaminna Mineral Sands Project). The PFS was based on inaugural Ore Reserves of 123Mt at 1.8% HM with 4% slimes, 4% oversize, 93% VHM and 85% of the HM as high-quality ilmenite and leucoxene suitable as synthetic rutile ("SR") feedstock (refer Table 2).

Results of the PFS were positive, with select highlights of pre-tax NPV8 of A$192 million, pre-tax IRR8 of 28%, project EBITDA of A$379 million for a 10.5-year mine life and 3.8-year capital payback period. Project revenue in the Bidaminna PFS was based on producing and using a simple business model of selling an HMC product, and therefore excludes any potential value-adding from mineral separation and upgrading of ilmenite to SR.

Based on the positive PFS results, this study is being upgraded to a BFS. However, in an effort to conserve cash for the development of Atlas, work on the Bidaminna BFS was curtailed for the entirety of CY2024. The BFS will be based on a number of optimisation steps as well as an updated Mineral Resources Estimate (MRE) which will build on the latest MRE announced in February 2023 (ASX: 28 February 2023: Mineral Resources Update Bidaminna Project) with total Mineral Resources of 109 million tonnes at 2.5% HM.

The Bidaminna deposit is located on Crown land in the vicinity of the Moore River and is overlain by areas of Banksia Woodlands and project development is subject to environmental permitting, potential land offset requirements and regulatory approval risks.

Value Adding SR Innovation

Positive test results on upgrading Bidaminna ilmenite to synthetic rutile (SR), published in August 2023, opened the door to the potentially significant value-adding opportunity of upgrading ilmenite from Yandanooka, Bidaminna, McCalls, and Mindarra Springs. Importantly, the potential for multi-decade operating life from these projects could serve to support justification for capital expenditure for a commercial SR processing plant, provided pilot-scale and/or demonstration-scale test results are determined to be technically and economically viable and future feasibility study results are deemed to be positive.

An original provisional patent was filed in Q4 2023 on a novel SR production process and ongoing literature research and concept study for a potential SR production facility continued on a limited basis during CY2024. This novel process is designed to have a significantly reduced carbon footprint compared to existing SR production technology. As a result of the cash conservation measure adopted to ensure Atlas construction is fully funded, research to demonstrate the provisionally patented process could not be completed and the patent expired after 12-months. A provisional patent was refiled in Q4 2024. The Company is considering a second patent application for different feedstocks for this novel process.

A specialist, innovative technology development consultant was engaged in CY2024 to conduct an SR production scoping study. Initial work, based on first principles, indicates the process is potentially feasible both technically and economically and that the process could add significant economic benefits to Image's projects with HMC production. However additional testing work must be completed to confirm certain assumptions regarding hydrogen consumption and costs, as well as hydrochloric acid recycle metrics.

The Company is investigating opportunities for funding support for a pilot and/or demonstration scale testing facility for this novel SR process. An initial grant application in CY2024 targeting up to 50% support for a demonstration plant was unsuccessful. Alternative funding support avenues are being sought.

Exploration

The Company's exploration portfolio is primarily focused on mineral sands, with the exception of two exploration licenses and two prospecting licenses, located southeast of Kalgoorlie, which make up the Erayinia/King Gold Project. (see Table 1 – Tenement Schedule). All tenements are located in Western Australia, and all mineral sands related tenements are located in the North Perth Basin, across a combined area of 1,516 square kilometers. With the expansion of the Company's minerals sands portfolio through the strategic acquisitions of the Eneabba Tenements and McCalls Project in CY2022, the North Perth Basin tenements now consist of 23 named project areas, each with identified Mineral Resources.

In April 2024, the Company provided an initial Ore Reserve estimate for the Yandanooka project.
Highlights included:

- 30 million tonnes of Probable Ore Reserves at 3.9% total heavy minerals ("HM")
- Mineralisation from the surface with an average waste-to-ore strip ratio of 0.1:1
- 90.5% valuable heavy minerals ("VHM") in HM
- High-value mineral assemblage with 14% zircon, 3.3% rutile, 27% leucoxene, 46% ilmenite, and 0.19% monazite in HM

The Company has several drilling programs planned, in both green-fields exploration and resource development, but is waiting on the Company's return to positive cashflow at Atlas prior to execution. These include:

- 290 holes for approximately 20,000m at the Bidaminna project planned to upgrade all material inside the proposed dredge mining pond limits to Measured Resources as defined by the JORC Code 2012;
- exploration drilling west of Yandanooka on the recently granted E70/6549;
- phase-two exploration at the south end of Woolka on E70/4244; and
- deeper target drilling at Erayinia/King gold project in the Eastern Goldfields.

Business Risks

The Company completed a new formal and externally supported risk review in Q2 2024 and thus the risks below were rated before the receipt of final approvals for Atlas. The commentary below has been updated by management to reflects changes since the formal risk review was undertaken.

The risk review is expected to be updated through a formal review by the end of Q2 2025 to reflect the completion of construction and commissioning of the Atlas Project.

The risks and uncertainties described below represent the most significant but not the only risks and uncertainties that the Company faces. Additional risks and uncertainties of which Image is not aware or that Image currently considers to be immaterial may also adversely affect the business, financial condition, results of operations or future development prospects.

Each risk area has been rated for residual risk after adjusting for controls and treatment actions.

Key risks with residual ratings of either Very High or High associated with business strategies, and prospects for future financial years include:

1. Approvals, Licenses and Permits: Residual Risk Rating: Very High

The Company will require certain licenses, permits and approvals to develop the Atlas Project (*subsequent to the risk review Atlas approvals were received in Q3 2024*) and other projects. The duration and success of efforts to obtain approvals and permits or secure land access to privately-owned land are contingent upon many variables, some of which are outside the Company's control. Failure to obtain, or delays in obtaining such licenses, permits and land access may adversely affect the Company's ability to proceed with proposed project developments.

In addition, there is potential for legislative and regulatory reform, which could lead to more onerous conditions being placed upon approvals for new or existing operations.

The Company addresses these risks by ensuring employees have the skills and disciplines and/or engage appropriate consultants and contractors to establish relationships and follow and implement the approval processes directed at ensuring all contingencies are adequately addressed.

2. Financial Stability and Funding: Residual Risk Rating: Very High

Boonanarring reached the end of operations and requires significant expenditure (~A$50m provision) for mine rehabilitation. During 2H 2024 the Company advanced the development of the Atlas Project and incurred significant capital expenditure from cash reserves. As at 31 December 2024, Image had cash on hand of $19.9 million and subsequent to the end of the reporting period, in January 2025, US$15 million (A$24 million), being the remaining funds available from a US$20 million HMC offtake prepayment facility, was drawn down.

Significant funds are required to finalise the remaining construction requirements for Atlas, for working capital at Atlas to achieve first revenue, other project studies and pre-development expenditures, general corporate and exploration expenditures, as well as Boonanarring rehabilitation. There is no certainty that the Company will be able to generate sufficient funds from operations in the future to meet these requirements. There is additional risk with respect to the development of new projects in respect to forecast and actual future mineral sands prices and foreign exchange rates which could negatively impact project returns.

If other sources of funding are required, there is no guarantee that such funding will be available.

Since 2018, the Company has built a track record of raising funds when required for project development and of successfully managing its project development activities and to generate internal cashflows from operations to sustain the business. That track record has been maintained with the execution of US$20 million HMC Offtake Prepayment Facility which was subsequently drawn down in December 2024 and January 2025.

3. Counterparty Risk (Offtake Contracts): Residual Risk Rating: High

The Company currently has an offtake contract in place for 100% of HMC product with delivery split between two purchasers. If one, or both purchasers breaches or otherwise fails to honour its contractual commitments, any such breach or failure could materially adversely impact the Company's financial results and performance. There is also the risk Image may not be able to find alternative purchasers for its products in a timely fashion and/or at favourable market pricing.

The Company has established positive working relationships with its existing HMC purchaser's and at the same time is looking to develop new markets for the underlying products contained in HMC. In addition, the Company regularly receives requests from potential new buyers seeking to acquire Image's HMC.

4. Operational Risks including health, safety & wellbeing of staff, contractors, and visitors: Residual Risk Rating: High

Mining is inherently dangerous and subject to factors or events beyond the Company's control The Company's current business, and any future development or mining operations, involve various types of risks and hazards typical of companies engaged in the mining industry. Such risks include, but are not limited to: (i) industrial accidents including fatalities; (ii) structural slides and pit wall failures, ground or slope failures and accidental release of water from surface storage facilities; (iii) fire or flooding; (iv) periodic interruptions due to inclement or hazardous weather conditions; (v) environmental hazards; (vi) discharge of pollutants or hazardous materials; (vii) failure of processing and mechanical equipment and other performance problems; (viii) geotechnical risks, and unusual and unexpected geological conditions; and (xi) force majeure events, or other unfavourable business or operating conditions.

Open cut mining, plant refurbishment and exploration activities present inherent risks of injury to people and damage to equipment.

Adverse operational issues could result in reduced operational performance and an inability to meet target returns and shareholder expectations.

The Company employs appropriately skilled safety professionals to manage the safety and wellbeing of employees and has well developed policies, procedures and processes, a strong safety culture, and robust training programs.

5. Ore Reserves – Depletion and Replacement: Residual Risk Rating: High

Once mining on a project commences, the Ore Reserves are gradually depleted. The ability of the Company to replace the Ore Reserves with new Ore Reserves of appropriate grade and quality is an inherently uncertain process and the Company may not be able to identify replacement Ore Reserves that it will be able to extract in a timely manner to maintain revenue streams. In addition, the quantities of minerals ultimately mined may differ from that indicated by drilling results. In the event that minerals are present in lower amounts than expected or the product mined is of a lower quality than expected, the demand for, and realisable price of, the Company's products may decrease.

The company has a pipeline of 100%-owned, undeveloped mineral sands projects and has expanded its development team to meet the requirements of technical and economic studies to facilitate independent 3rd party confirmation of feasibility studies. Combined with strong relationships with experienced consultants, the Company is confident that it has the capability to progress development of these projects, as it has previously demonstrated with the Boonanarring project and is currently demonstrating at the Atlas project.

6. Employee Attraction and Retention: Residual Risk Rating: High

The labour market in Western Australia for experienced employees is competitive, particularly in the mining industry which includes engineering, geology, operations, maintenance and more. There is a risk that the Company will not be able to attract and retain the level of talent necessary to support the Company's near-term project developments and growth ambitions. This risk has been increased by a requirement to transition from a daily commute style operation at Boonanarring to the requirement for onsite accommodation at Atlas and resulting in increased risk of attracting and retaining key personnel due to the restrictions of a mining camp environment.

The Company has a well-developed program for attracting and retaining key staff, including paying competitive base salaries, bonuses available to all staff primarily based on work performance and an Incentive Awards Plan (available to all employees). The Company retained a number of key personnel at Boonanarring who have successfully transitioned to Atlas and have helped build the new Atlas operating team.

7. Major Shareholder Relations: Residual Risk Rating: High

Misalignment between the Company's Board/management and major shareholders could result in the Company, as currently structured, being unable to deliver on its operational and growth plans and thus failing to deliver on overall shareholder expectations.

The Company focuses on maintaining a strong relationship with existing major shareholders and actively monitors the structure of its share register, including maintaining regular contact with all shareholders through its ASX announcements, investor presentations, quarterly and annual reports, annual general meetings and direct communications with any shareholders that seek information from the Board or Management.

Other key risks identified, with current residual risk ratings of medium, which could result in significant impact on the Company include geopolitical landscape, community relations including with Traditional Owners, community activism, corporate governance issues, legal issues, maintaining a social license to operate and supply chain interruption.

The Company continues to develop its assessment of the potential impacts of climate change and the transition to a low carbon economy.

The Company's physical and transitional risk assessment process is ongoing. Changes in the Company's strategies addressing climate change and transition to a low carbon economy may materially impact financial results in future reporting periods; as well as risks imposed upon the Company by legislation.

Your directors present their report, together with the financial statements of the Group, being the Company, Image Resources NL, and its controlled entities, for the financial year ended 31 December 2024 compared with the financial year ended 31 December 2023.

DIRECTORS

The following persons were directors of Image Resources NL ("**Image**") during the year and up to the date of this report, unless stated otherwise:

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

PRINCIPAL ACTIVITIES

The principal activities of the Group during the year involved obtaining the approvals required to commence construction of the 100%-owned, high-grade, zircon-rich Atlas mineral sands project located 170km north of Perth in WA, and completing a pre-feasibility study for its 100% owned Yandanooka minerals sands project.

RESULTS FROM OPERATIONS

During the year, the Group recorded an operating loss of $9,414,000 (for the year to 31 December 2023: operating loss of $4,707,000). Basic loss per share for the year was 0.85 cents (year to 31 December 2023: loss of 0.43 cents). Diluted loss per share for the year was 0.83 cents (year to 31 December 2023: loss of 0.47 cents).

DIVIDENDS PAID OR RECOMMENDED

No amounts have been paid or declared by way of a dividend by the Company since the end of the previous financial year (CY2023) and the directors do not recommend the payment of any dividend.

Dividend Policy

The Company's dividend policy provides for the Board of Directors, as soon as practicable after the end of a Group financial year, and to the extent permitted by law, to distribute to Shareholders as a dividend, all Excess Cash held at the end of that Financial Year; with Excess Cash defined as cash held by the Group, other than cash that the Board considers is necessary or desirable to be retained by the Group for the Group's existing liabilities and future activities.

REVIEW OF OPERATIONS

A review of operations is covered elsewhere in this Annual Financial Report.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

All significant changes in the state of affairs of the Group during the year are discussed in detail above.

SIGNIFICANT EVENTS SUBSEQUENT TO REPORTING DATE

The remaining US$15 million of funds available under the HMC Offtake Prepayment Facility were received in early January 2025. In February 2025, the Company commenced the commissioning of the Atlas project and produced first HMC. In March, the Company commenced trucking of HMC to Geraldton port in preparation for an expected April shipment.

Other than the events stated above, there has not been any other matter or circumstance that has arisen after the balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in future periods.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Review of Operations set out on pages 4 to 11 of this Annual Financial Report, provide an indication of the Group's likely development and expected results. In the opinion of the Directors, disclosure of any further information about these matters and the impact on Group operations could result in unreasonable prejudice to the Group and has not been included in this report.

ENVIRONMENTAL ISSUES

The Group carries out operations in Australia which are subject to environmental regulations under both Commonwealth and State legislation in relation to those activities. The Group's MD, Exploration Manager, COO and Senior Site Executives are responsible for monitoring and reporting on compliance with all environmental regulations. During or since the financial year there have been no known significant breaches of these regulations.

INFORMATION ON DIRECTORS AND COMPANY SECRETARIES

Robert Besley
Chair

Appointed as Director and Chair on 8 June 2016 Robert Besley and has more than 40 years' experience in the mining industry. Mr Besley has served in a number of Government and industry advisory roles including several years as Deputy Chairman of the NSW Minerals Council. He holds a BSc (Hons) in Economic Geology from the University of Adelaide and is a Member of the Australian Institute of Geoscientists. He managed the creation, listing and operation of two successful mining companies; CBH Resources Limited which he led as Managing Director from a small exploration company to Australia's 4th largest zinc producer; and Australmin Holdings Limited (acquired by Newcrest) which brought into production a gold mine in WA and mineral sands mine in NSW. More recently he was a founding Director of KBL Mining Limited which operated the Mineral Hill copper-gold mine in NSW and was Chairman of Silver City Minerals Limited, which explored for silver-lead-zinc in the Broken Hill District. He was a non-executive and independent Director of Murray Zircon from commencement of development and production of the Mindarie Mineral Sands Project until June 2016. He also serves on the Company's audit & risk, remuneration & nomination, and hedge committees. Mr Besley has not been a director of any other listed public companies in the past 3 years.

Patrick Mutz
Managing Director

Mr Mutz was appointed Managing Director and CEO on 8 June 2016 and has more than 40 years of international mining industry experience in technical (metallurgist), managerial, consulting and executive roles in all aspects of the industry from exploration through project development, mining and mine rehabilitation. He has operational experience in open cut, underground, and in-situ mining, and related processing, on projects in the USA, Germany, Africa and Australia. Since his arrival in Australia from the USA in 1998, he has served as CEO / Managing Director of a number of publicly listed and private mining companies based in South Australia, Victoria and Western Australia, primarily involved with project development and company transitioning from exploration to production. Mr Mutz is a Fellow of the AusIMM. He holds a Bachelor of Science (Honours) and an MBA from the University of Phoenix in the US. Patrick serves on the Company's hedge committee. During the past 3 years he has served as a director of the following other listed companies:

- Aura Energy Limited – appointed 18 May 2022, continuing.

Peter Thomas
Non-Executive Director

Mr Thomas, having served on ASX listed company boards for over 30 years, has been a non-executive director of Image Resources NL since 10 April 2002. For over 30 years until June 2011, he ran a legal practise on his own account specialising in the delivery of wide ranging legal, corporate and commercial advice to listed explorers and miners. He serves on the Company's audit & risk and remuneration & nomination committees. During the past 3 years he has served as a director of the following other listed companies:

- Emu NL – appointed August 2007, continuing.
- Middle Island Resources Limited – appointed March 2010, continuing.

Aaron Chong Veoy Soo
Non-Executive Director

Mr Soo has been a long-term supporter and shareholder in Image Resources. Mr Soo is an advocate & solicitor practising in West Malaysia with 22 years of experience in legal practice and currently a partner in Stanley Ponniah, Ng & Soo, Advocates & Solicitors. He also serves on the Company's audit & risk committee. Mr Soo has not been a director of any other listed public companies in the past 3 years.

Ran Xu
Non-Executive Director

Ms Ran Xu has a masters degree in HR Management and Industrial Relations. She started working in LB Group in 2014 as a Procurement and Strategy VP and is now the Associate President of Strategy. Ms Xu has extensive experience and market intelligence in the ilmenite and pigment industry. Ms Xu has not been a director of any other listed companies in the past 3 years.

Winston Lee
Non-Executive Director

Winston Lee is the CEO of Vestpro International Limited, a commodity holding company, with assets under management including major stakes in private and publicly listed mining companies. Mr Lee is establishing a position in the global mining industry through investments, operations, and explorations in North America, Asia and Africa. He has 7 years of experience in developing international cooperation with resource companies as well as investments in heavy metal, healthcare and other natural resources. He led the Research and Development department of Zipro Technology Corporation, collaborating with professors and the Dean of Engineering at National Taiwan University. Mr Lee serves as Head of Finance of an AI driven simulation platform company and plays a central role covering a wide range of capital and legal structures as well as asset sales. The company owns patents involving Virtual Matter and Virtual Environments. Mr Lee is a passionate patron of the arts supporting emerging contemporary artists. He serves on the Company's remuneration & nomination committee. Mr Lee has not been a director of any other listed public companies in the past 3 years.

Dennis Wilkins
Joint Company Secretary

Mr Wilkins is the founder and Principal of DWCorporate Pty Ltd, a corporate advisory firm servicing the resources industry. He is a highly experienced company secretary with a strong background in mining and exploration. As Principal, Mr Wilkins has been providing commercial, strategic, and corporate governance services to international exchange listed entities for 21 years.

John McEvoy
Joint Company Secretary and Chief Financial Officer

Mr McEvoy joined Image Resources NL in July 2014 and is Chief Financial Officer and Joint Company Secretary. Mr McEvoy has an honours degree in Mathematics from Southampton University and has 30 years of experience in senior mining finance roles incorporating the whole mining company life-cycle from initial discovery to mine closure. Mr McEvoy is a member of the Institute of Chartered Accountants in England & Wales (ICAEW) and is a graduate of the Australian Institute of Company Directors (AICD).

AUDIT & RISK COMMITTEE

During the financial year the members of the Company's Audit & Risk Committee comprised Messrs Thomas (Chair), Besley and Soo. During the year, the committee held two meetings. All members attended these meetings.

REMUNERATION & NOMINATION COMMITTEE

During the financial year the members of the Remuneration & Nomination Committee comprised Messrs Besley (Chair), Thomas and Lee. During the year, the committee held ten meetings. All members attended these meetings.

HEDGE COMMITTEE

During the financial year the members of the Hedge Committee comprised Messrs Besley (Chair), Mutz and McEvoy. During the financial year, the committee held six meetings. Mr Mutz attended 5 meetings. Messrs Besley and McEvoy attended all meetings.

MEETINGS OF DIRECTORS

During the financial year ended 31 December 2024, there were six meetings of directors held. Attendances by each director during the 2024 year on Board and committee meetings is detailed below.

	Board Meetings		Audit & Risk Committee		Remuneration & Nomination Committee		Hedge Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Robert Besley	7	7	2	2	7	7	1	1
Patrick Mutz	7	7	-	-	-	-	1	1
Peter Thomas	7	7	2	1	7	7	-	-
Aaron Chong Veoy Soo	7	7	2	2	-	-	-	-
Ran Xu	7	7	-	-	-	-	-	-
Winston Lee	7	7	-	-	7	7	1	1

PERFORMANCE RIGHTS AND OPTIONS

At the date of this report there was the following performance rights on issue to acquire a maximum of one fully paid ordinary shares for each right issued.

Number	Vesting Date	Expiry Date
403,224	30 June 2024	30 June 2026
8,918,644	30 June 2025	30 June 2026
12,326,228	30 June 2025	30 June 2027
12,696,012	30 June 2026	30 June 2028
34,344,108		

During the financial year there were no options.

During the financial year 26,756,504 performance rights were issued to acquire a maximum of one fully paid ordinary shares for each right issued. Since the end of the financial year, as at the date of this report, an additional 4,772,339 performance rights were issued to acquire a maximum of one fully paid ordinary shares for each right issued.

CORPORATE STRUCTURE

Image is a no liability company incorporated and domiciled in Australia.

ACCESS TO INDEPENDENT ADVICE

Each director has the right, so long as he is acting reasonably in the interests of the Group and in the discharge of his duties as a director, to seek independent professional advice and recover the reasonable costs thereof from the Group. The advice shall only be sought after consultation about the matter with the Chair (where it is reasonable that the Chair be consulted) or, if it is the Chair that wishes to seek the advice or it is unreasonable that he be consulted, another director (if that be reasonable). The advice is to be made immediately available to all Board members other than to a director against whom privilege is claimed.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

Image has paid premiums to insure the Directors and Officers of Image.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the Officers in their capacity as Officers of Image, and any other payments arising from liabilities incurred by the Officers in connection with such proceedings, other than where such liabilities that arise out of conduct involving a wilful breach of duty by the Officers or the improper use by the Officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to Image.

It's not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities. Conditions of the policy also preclude disclosure to third parties of the amount paid for the policy.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out in this annual financial report.

MESSAGE FROM THE CHAIR OF THE REMUNERATION AND NOMINATION COMMITTEE

Dear Shareholder

On behalf of the Board of Directors of Image Resources NL I am pleased to present our Remuneration Report for the calendar year ending 31 December 2024 (CY2024)

The Remuneration and Nomination Committee (**RNC**) has evaluated our compensation strategies to determine whether they align with our short-term and long-term goals and shareholder interests while also serving to attract, retain, and appropriately reward team members.

FY24 EXECUTIVE REMUNERATION OUTCOMES AND FY25 CHANGES

STI outcomes for the performance year ending 30 June 2024 were assessed at 60% of maximum for executive KMP. No LTI awards were tested during the year. There were no increases to fixed remuneration for executive KMP during the year.

The RNC has reviewed the executive remuneration framework and has resolved to introduce a new STI and LTI framework for FY25. A key change to the framework is to align performance periods with our financial year, as previously they did not coincide.

In transitioning to the new framework, the RNC resolved to implement a 6-month STI for executive KMP for the second half of 2024 during a critical period for the company. Performance requirements for this period were based on financial management and key operational targets related to the Atlas project. Outcomes for this transitional STI were assessed at 60% of maximum for executive KMP.

The RNC considered the scorecard outcomes for the PY2024 STI and the transitional STI against the background of another challenging year for shareholders. On balance, the outcomes for executive KMP were considered appropriate in the context of operational achievements during the year and in setting up Image for resumed production and return to profitability in 2025. The RNC also resolved to defer payments to executive KMP for these STI awards to a date to be determined following receipt of first revenue from Atlas, to preserve cash while production from Atlas is ramping up.

Additional details of the new incentive framework that will apply for FY25 will be provided in the notice of meeting for the 2025 AGM and in next year's remuneration report.

ROBERT BESLEY
CHAIR - Remuneration and Nomination Committee

PERTH
Dated this 28 March 2025

1. INTRODUCTION

The Remuneration Report outlines the remuneration arrangements for Image Resources NL for the financial year ending 31 December 2024.

The Board, guided by the RNC, will assess the remuneration structure on a continuing basis to ensure it stays current and relevant.

It is crucial that we maintain a team of loyal and motivated executives who are fairly rewarded for their efforts to deliver shareholder value in a safe and environmentally sensitive workplace. Consistent with the advice of various remuneration consultants over time, the RNC has determined that its objective is to align its remuneration outcomes with the 50th percentile when measured against a *'basket'* of Image's peers. A recent review by independent remuneration consultants Guerdon indicates that Image's current executive salaries exceed this target. The RNC will use insights from this independent review when setting future reward levels.

In this financial year, the company has re-aligned its remuneration performance assessment period to bring it into line with the financial year. This process is discussed in detail in Section 3 of the remuneration report. Relating to this report and the change noted the Company provides the following glossary:
PY2023 means the remuneration period of 12 months ending 30 June 2023
PY2024 means the remuneration period of 12 months ending 30 June 2024
2H PY 2024 means the remuneration period of 6 months ending 31 December 2024
STI period – in this report, typically 12 months ending 30 June (transitioning to 31 December)
LTI period – in this report, typically 36 months ending 30 June (transitioning to 31 December)

2. SNAPSHOT OF FY24 COMPANY PERFORMANCE AND KMP REWARD

2.1 FY24 REALISED REWARD (REMUNERATION RECEIVED)

The remuneration shown in the tables in this section are provided as supplementary non-statutory information to help shareholders to understand the total value of remuneration realised and received by Executive KMP in the current and previous financial years.

Importantly, the value ascribed to equity in this section is calculated differently from the statutory disclosure in section 12 of this Remuneration Report, as detailed in the footnotes below the table. This approach illustrates the value of the award to the Executives during aligned remuneration and financial periods.

The rewards Image provides to its executive KMP comprised of a fixed component and an at-risk component. (Refer to Section 8.3 for more details).

Name	Year	Fixed Rem [1] (Incl SGC)	Other Rem [2]	Cash awarded/ to be awarded under STI [3]	Subtotal	Value of deferred STI vested during the year [4]	Total
P Mutz	2024	$626,854	$131,232	[7] $181,397	$939,483	$22,408	$961,891
	2023	$625,179	[5] $84,758	[8] $191,776	$901,713	-	$901,713
J McEvoy	2024	$437,091	$41,200	[7] $117,140	$595,431	$14,471	$609,902
	2023	$430,725	-	[8] $110,473	$541,198	-	$541,198
T Colton	2024	$483,770	$45,600	[7] $129,650	$659,020	$16,016	$675,036
	2023	$476,725	-	[8] $120,482	$597,207	-	$597,207
G Sakalidis	2024	-	-	-	-	-	-
	2023	$36,004	[9] $160,473	-	$186,477	-	$186,477
Totals	**2024**	**$1,547,715**	**$218,032**	**$428,188**	**$2,193,935**	**$52,895**	**$2,246,830**
	2023	$1,568,633	$245,231	$422,731	$2,226,595	-	$2,226,595

Notes

1. The total fixed remuneration (TFR) was last adjusted in effective 1 July 2023. (PM $676,854, TFR allocated between fixed salary and allowances)
2. Other remuneration includes allowances paid for travel and accommodation during the financial year and a car fringe benefit (2024: P Mutz $44,540 and $22,892 respectively). In 2024, other remuneration includes a one-off retention bonus paid to executives (vested 31 December 2023 and paid in January 2024) totalling $150,600 (P Mutz $63,800; J McEvoy $41,200; T Colton $45,600).
3. STI for PY2024 awards have been made, but settlement has been deferred. The amounts shown here are the amounts that will be paid out on the date determined following the achievement of the first revenue from Atlas.
4. One third of STI rights awarded in respect of PY 2023 vested 30/06/2024.The remaining two thirds will vest 30/06/2025, subject to continued employment. The value shown here is one third of the value of the STI assigned to performance rights. The number of performance rights that vested were calculated based on this value divided by the 20-day VWAP at 30/06/2023 ($0.0915). The performance criteria for the measurement of the 2023 STI award are disclosed in detail in section 10
5. LTIs to vest will be determined as at 30 June 2025 for PY 2023 and 30 June 2026 for PY 2024.The performance conditions and weightings are disclosed in section 10
6. Includes $43,889 annual leave paid out.
7. This includes an award for the six-month period 1 July 2024 to 31 December 2024 reflecting the realignment of the performance assessment period with the fiscal year. – refer section 2. Payment of this cash award has been deferred.
8. STI paid in CY2023 comprised an STI for PY2023 and an outstanding STI award from PY2022.
9. Long service leave and annual leave paid out on resignation on 14 March 2023.

2.2 AT RISK REMUNERATION

The table below shows the value of potential long-term incentive (LTI) and short-term incentive (STI) values based on Total Fixed Remuneration as defined in detail in section 8.3. The Committee provides this table to clarify potential and actual incentives awarded to KMPs on an annual basis. The STI and LTI awards are based on a set percentage of total fixed annual remuneration and are measured for award against KPIs.

Financial Year (FY) Award Year (PY)	Annual Incentive Category	Mechanism of payment	FY 31/12/2023	FY 31/12/2024	FY 31/12/2025	FY 31/12/2026	FY 31/12/2027
PY 2023	STI (maximum opportunity)	2/3 cash 1/3 equity	$519,645	$85,315	$170,630		
PY 2023 [1]	STI (actual award) (2/3)	Cash	$322,181				
PY 2023 [3]	STI (actual award) (1/3)	Performance rights		$52,895	$105,790		
PY 2023	LTI (Maximum opportunity)	Performance rights			$1,127,850		
PY 2024	STI (maximum opportunity)	2/3 cash 1/3 equity		$535,235	$ 87,874	$175,749	
PY 2024 [2]	STI (actual award) (2/3)	Cash		$267,617			
PY 2024 [2,3]	STI (actual award) (1/3)	Performance rights			$43,937	$87,874	
PY 2024	LTI (Potential)	Performance rights				$1,161,685	
HY 2024	STI (maximum opportunity)	2/3 cash 1/3 equity		$267,671	$43,937	$87,874	
HY 2024 [4]	STI (actual award) (2/3)	Cash		$160,570			
HY 2024 [3,4]	STI (actual award) (1/3)	Performance rights			$26,362	$52,725	
HY 2024	LTI (Maximum opportunity)	Performance rights					
PY&FY2025	STI (maximum opportunity	Cash			$532,572	$88,762	*$177,524*
PY &FY 2025	LTI (Maximum opportunity)	Performance rights				$1,198,286	
To Date	**Total Actual Incentive Delivered**		**$322,181**	**$428,188**	$TBD	$TBD	$TBD

Notes

1. 2023 STI assessed at 62% of maximum opportunity achieved against KPIs. See section 12 for detail of how this was determined
2. 2024 STI assessed at 50% of maximum opportunity achieved against KPIs. See section 12 for detail of how this was determined
3. All STI Performance rights are subject to a further vesting hurdle (1/3 on continuing employment one year after measurement date and 2/3s on continuing employment for two years after measurement date
4. 2H 2024 6-month STI assessed at 60% of maximum opportunity achieved against KPIs. See section 12 for detail of how this was determined

2.3 FY2024 COMPANY PERFORMANCE (CALENDAR YEARS)

	2020	2021	2022	2023	2024
Share Price at 31 December	0.185	0.205	0.135	0.063	0.093
Change in Share price from prior year	0.065	.02	(0.070)	(0.072)	0.03
Market capitalisation	$183.54m	$207.59m	$146.36m	$68.12m	$103.59m
Long Term – 3 Year TSR [1] to 31 December	48%	86.36%	(28.57%)	(44.32%)	(44.88%)
Profit / (Loss) After tax	$24.78m	19.384m	$15.168m	($4.707m)	($9.414m)
Cash at Bank	$50.761m	$79.840m	$53.455m	$46.197m	$19.9m

Note

1. TSR = Total Shareholder Returns = Change in Share Price over three years plus dividends.

At 30 June 2025, the long term performance of the KMPs for the period 1 July 2022 to 30 June 2025 will be assessed against company performance and shareholder returns (a snapshot of which has been tabulated above) and other measures relating to growth and both operational and environmental sustainability of the company as approved by shareholders. This assessment relates to the PY 23 LTIs issued.

2.4 UNREALISED EXECUTIVE AWARDS

The table below displays the equity incentives that have been issued or granted to executives and remain unvested as of the date of this report. These incentives will be subject to assessment against predetermined key performance criteria or further vesting conditions. The figures detailed in the table represent the maximum number of incentives that could potentially be awarded (maximum opportunity), if 100% of all key performance indicators were to be met in full. The target achievement is 60% of maximum opportunity.

	Unvested STI Performance Rights			Unvested LTI Performance Rights (maximum opportunity; target is 60% of maximum)	
	PY2023 1/7/2022 to 30/6/2023	PY2024 1/7/2023 to 30/6/2024	HY 2024 1/7/24 to 31/12/24	PY2023 1/7/22 to 30/6/25	PY2024 1/7/23 to 30/6/26
Condition to Vesting	Employment [1]	Employment [2]	Employment [3]		See Section 11
P Mutz	489,203	701,514	362,993	6,463,672	6,657,580
J McEvoy	316,297	453,015	234,410	2,782,688	2,866,170
T Colton	350,077	501,394	259,443	3,079,868	3,172,262

Note

1. The remaining 2/3 of STI performance rights granted for PY 2023 will vest subject to employment at 30 June 2025.
2. PY 2024 STI performance rights will vest subject to employment at 30 June 2025 (1/3) and 30 June 2026 (2/3).
3. HY 2024 STI performance rights will vest subject to employment at 31 December 2025 (1/3) and 31 December 2026 (2/3).

3. ADJUSTMENTS TO EXECUTIVE KMP FRAMEWORK FOR 2H PY 2024 (INCLUDING LONG TERM ALIGNMENT OF PY (PERFORMANCE YEAR OF THE COMPANY AS ADOPTED EFFECTIVE 25 JULY 2024) WITH FY (FINANCIAL YEAR OF THE COMPANY)

The Board has instituted the following changes:

The performance year will align with the calendar year and the Company's financial year, resulting in a one-off 6-month STI performance period ending on 31 December 2024, and a 30-month LTI performance period ending on 31 December 2026.

STI performance measures have been simplified and narrowed down to two key metrics (Financial (45%) and Growth and development (55%), with keys hurdles within each.

LTI performance measures will be linked 100% to comparative shareholder returns. This approach is directed at ensuring executives apply a balanced focus upon long-term financial outcomes for shareholders.

4. ADJUSTMENTS NON-EXECUTIVE DIRECTOR FEE FRAMEWORK

Following a benchmarking exercise conducted by the Company's former remuneration consultant, BDO Reward WA Pty Limited (BDO), in 2022, it was resolved to implement BDO's recommendation that non-executive director fees be allocated two-thirds in cash and one-third in equity. The Company will adopt this approach as of 1 January 2025, pending shareholder approval intended to be (but not, for reasons of logistics) sought at the 2025 AGM. Delivering a portion of the fees in this manner, rather than entirely in cash, is directed at better aligning the directors' rewards with those of the shareholders. Please refer to Section 13 for further information on non-executive director remuneration.

5 KEY MANAGEMENT PERSONNEL COVERED IN THIS REPORT

This report outlines the remuneration arrangements for KMP, defined by the Australian Accounting Standards as those individuals with authority and responsibility for planning, directing, and controlling the activities of an entity, either directly or indirectly. This definition includes the entity's directors.

Name	Position	Term
Non-Executive Directors		
Robert Besley	Non-Executive Chair	Full Year
Peter Thomas	Non-Executive Director	Full Year
Aaron Soo	Non-Executive Director	Full Year
Ran Xu	Non-Executive Director	Full Year
Winston Lee	Non-Executive Director	Full Year
Executive Director		
Patrick Mutz	Managing Director & CEO	Full Year
Executive Officers		
John McEvoy	Chief Financial Officer	Full Year
Todd Colton	Chief Operating Officer	Full Year

There are no changes to KMP subsequent to year end.

6. REMUNERATION GOVERNANCE

6.1 ROLE OF THE BOARD

The Board is responsible for evaluating the performance and reviewing the remuneration of the Managing Director, Company Secretary, and other senior executives. The Board has constituted the RNC to assist it in fulfilling its corporate governance responsibilities regarding remuneration and overseeing the Company's remuneration framework.

6.2 ROLE OF THE REMUNERATION (& NOMINATION) COMMITTEE

The complete role and responsibilities of the RNC are outlined in the Image Resources Corporate Governance & Key Policies Compliance Manual (IMA Corporate Governance and Policies Manual).

The Committee consists of three directors and is chaired by Mr. Besley, who is regarded as an independent director.

The Company's policy for determining the nature and amount of emoluments for Key Management Personnel (KMP) is detailed in Section 8 for Executive KMP and Section 13 for non-executive directors.

6.3 RNC AND KMP REMUNERATION AND INCENTIVE POLICIES

The RNC is responsible for the Group's remuneration policy. The committee engages an external, independent remuneration advisor (refer to the Use of Remuneration Consultants section below) to assist in providing recommendations to the Board regarding remuneration strategies, policies, contracts, and packages for directors and executives, as well as reviewing annual compensation arrangements.

The RNC's mandate regarding remuneration is to recommend to the Board appropriate and competitive remuneration and incentive policies (including the criteria for awarding and the amount of any bonuses) for KMP and others as deemed suitable, which:

- **encourages them to support the Group's growth and success within an appropriate control framework.**
- **aligns the key leadership's interests with those of the Company's shareholders.**
- are paid within any limits imposed by the Constitution and provide recommendations to the Board regarding the necessity for increases to such amounts at the Company's annual general meeting, and
- in the case of directors, only permits participation in equity-based remuneration schemes after appropriate disclosure to, due consideration by, and with the approval of, the Company's shareholders.

6.4 RNC AND INCENTIVE PLANS AND BENEFITS PROGRAMS

The RNC's responsibility, inter alia, is to:

- Review and make recommendations regarding long-term incentive compensation plans, such as equity-based plans. Unless otherwise delegated by the Board, the committee will act on behalf of the Board to manage equity-based and employee benefit plans and will, therefore, fulfill any responsibilities under those plans, including making and authorising grants, in accordance with their terms.
- Ensure that, when feasible, incentive plans are structured around appropriate and achievable performance targets that evaluate relative performance and offer remuneration upon their attainment, and
- Review and, if necessary, provide suggestions to improve any existing employee benefit programs.

6.5 RNC AND NON-EXECUTIVE DIRECTORS

The committee will ensure that non-executive directors receive no retirement benefits apart from statutory superannuation entitlements.

To the extent that the Company adopts a remuneration structure for its non-executive directors other than cash and superannuation, it will disclose this to shareholders and obtain approvals as required by law and the ASX listing rules (Listing Rules).

6.6 SECURITIES TRADING POLICY

All KMP and employees, including long-term consultants and contractors, are subject to the Company's Securities Trading Policy, which outlines the governance, policies, and controls on trading in the Company's securities. A copy of the policy is available at IMA Corporate Governance and Policies Manual.

6.7 USE OF REMUNERATION CONSULTANTS

The RNC is authorised to seek independent professional advice from outsiders with relevant experience and expertise. The committee will seek such advice if it considers this necessary to fulfil its responsibilities to:

- assess the market to ensure senior executives are rewarded commensurate with their roles and duties;
- obtain expert advice in setting and reviewing salary levels; and
- make recommendations on incentive schemes.

The Remuneration Committee engaged Guerdon Associates during the year. No remuneration recommendations as defined in the Corporations Act were provided.

7. EMPLOYEE INCENTIVE SCHEMES

The Image Employee Share Plan (**ESP**) was implemented following shareholder approval at the general meeting held on 13 February 2018 and was last approved (with amendments) by shareholders at the annual general meeting on 30 May 2023. No securities were issued under the ESP during the reporting period. A summary of the ESP and financial assistance under the ESP is disclosed in section 7.2.

From April 2023, the Company decided to cease the utilisation of the ESP and, instead, to implement a simpler and significantly more efficient Incentive Awards Plan (**IAP**).

Shareholders approved the IAP at the annual general meeting on 30 May 2023, and since then, it has been the tool for offering equity incentives to executive KMPs and employees.

7.1 INCENTIVE AWARDS PLAN (IAP)

The IAP provides the Company with greater flexibility to motivate and incentivise employees, enhance employee retention, and align incentive awards more effectively with longer-term shareholder returns. It was adopted because the previous ESP is restricted to the matter of loan-funded shares the administration of which involved a significant degree of work to limited advantage to the Company.

The IAP aims to standardise equity awards that better reward the group's directors and employees for their dedicated and ongoing commitment and effort and acknowledge their contributions. It grants employees conditionally convertible (performance) rights to receive fully paid ordinary shares, subject to terms and conditions set by the Company's directors.

The principal provisions of the IAP include.

- **The plan is accessible to all directors (subject to prior shareholder approval of each issue) and employees of the Group.**
- **The Company may, at any time and in its absolute discretion, extend an offer to an eligible director (subject to the ASX listing rules) or employee.**
- **The number and conditions of convertible securities issued to an eligible employee are determined by the Company's directors.**
- **An eligible participant may nominate a nominee to receive the convertible securities.**
- **The Board may determine an option exercise price (if any).**
- **Any convertible security may be made subject to vesting conditions as determined by the Board at its discretion.**
- **A share acquired in accordance with the IAP may be subject to a restriction condition.**

7.2 EMPLOYEE SHARE PLAN (NOW REDUNDANT)

During the financial year (FY 24), no ESP shares were issued, and 22,493,776 ESP shares were repurchased according to the terms of the ESP (2,951,516 FY2023).

The principal provisions of the ESP include:

- **The ESP is available to all executive Directors and employees of the Group.**
- **The Company may, at any time and in its absolute discretion, extend an offer to an eligible employee.**
- **The number of ESP shares issued to an eligible employee is determined by the directors of the Company.**
- **The issue price is the volume weighted average price of shares in the 5 trading days prior to the issue date.**
- **The person accepting the offer (Participant) is deemed to have agreed to borrow from the Company, on the terms of the loan agreement referred to below, an amount to fund the purchase of the ESP shares.**
- **The ESP shares rank pari passu with all issued fully paid shares in respect of voting rights, dividends and entitlement to participate in any bonus or rights issues.**
- **Participants may not dispose of any ESP shares within 12 months of the issue date.**
- **Until the loan to the Participant is fully repaid, the Company has control over the disposal of the ESP shares, and**
- **Application will be made as soon as practicable after the allotment, for ESP shares to be listed for quotation on ASX.**

The principal provisions of the loan agreement include:

- **The amount lent will be an advance equal to the issue price of the ESP shares multiplied by the number of ESP shares issued.**
- **The repayment date is the date falling 3 years after the issue date.**
- **The loan can be repaid at any time, but a Participant must pay any outstanding amount on the date the employee ceases to be an employee of Image (or such late date as Image determines at its discretion). All dividends declared and paid on the ESP shares will be applied towards the repayment of the advance, and there is no interest on the advance.**
- **A holding lock will be placed on the ESP shares until the loan is fully repaid.**

8 EXECUTIVE KMP REMUNERATION FOR FY2024

8.1 POLICY AND APPROACH

The underlying principle to our remuneration framework is to remunerate with a relevant, appropriate and market comparable mix of total fixed remuneration (**TFR**) and incentives (at-risk remuneration), both long-term and short-term, to achieve:

- **A positive culture in which high calibre employees are motivated to achieve Company objectives**
- **Employees are appropriately remunerated for their role and at a level comparable to the market to maximise retention of key staff**
- **A remuneration structure that is appropriate and consistent with the Company values and policies and aligns employee and shareholder interests by rewarding performance that creates long-term value for shareholders.**

8.2 GUARANTEED RATE INCREASES

There are no guaranteed rate increases fixed in the contracts of any of the key management personnel.

8.3 OVERVIEW OF EXECUTIVE REMUNERATION FRAMEWORK

This policy results in a framework for remuneration of executives that provides for a mix of fixed and variable remuneration. The Managing Director has a greater proportion of at-risk remuneration relative to TFR when compared to the ratios applicable to other KMPs. Variable remuneration is provided through short - and long-term incentives.

The elements of the Executive KMP remuneration are as follows:

		Remuneration Component Definition and time frame	Purpose
Fixed	Short-term	Total Fixed Remuneration (**TFR**) comprises base salary, superannuation, and allowances One year time frame	- provide a benchmarked, competitive cash salary - appropriate salaries ensure attraction and retention of key talent
At Risk	Short-term	Short Term Incentives (**STI**) Once measured, to be paid 2/3 in cash and 1/3 in performance rights, the latter awarded subject to further continuing employment conditions for 12 and 24 months	- reward performance over the short term - measured against achievement of one-year strategic objectives
At Risk	Long Term	Long Term Incentives (**LTI**) Performance Rights conditionally vesting over a three-year performance period	- reward longer term performance - achievement of strategic objectives - retention of key staff

8.4 TOTAL FIXED REMUNERATION

Total Fixed Remuneration (TFR) includes base cash salary, allowances and statutory superannuation. TFR for executives is reviewed at least annually by the Remuneration Committee and any changes must first be approved by the Board after considering Remuneration Committee recommendations. The level of TFR is set with the need to attract and retain talent, having regard to the mix of fixed and variable remuneration appropriate for the role. Remuneration changes for other employees are set having regard to recommendations from management. The group seeks to position TFR to be at or near the 50th market percentile of salaries for comparable positions/companies within the mining industry. The target TFR is based on information provided by independent remuneration consultants.

8.5 AT RISK REMUNERATION: INCENTIVES

The current incentive plan includes provision for equity remuneration ba10sed on the Incentive Award Plan outlined in section 7.1 above.

The STI portion of at-risk remuneration is paid as a combination of cash (two-thirds) and equity in the form of performance rights (one-third), while the LTIs are paid solely upon the conversion of performance rights. Furthermore, one-third of STI performance rights are subject to a one-year continuation of employment condition, while two-thirds are subject to a two-year continuation of employment condition.

The remuneration mix, based on **maximum** incentive opportunity, being a set % of Total Fixed Remuneration (**TFR**), for executives for each performance year are shown in the following table:

Key Executive	Maximum STI opportunity (% of TFR)	Maximum LTI opportunity (% of TFR)	Maximum STI and LTI Incentive Opportunity (% TFR)
Patrick Mutz	50% (33.5% cash & 16.5% equity performance rights)	90%	140%
John McEvoy	50% (33.5% cash & 16.5% equity performance rights)	60%	110%
Todd Colton	50% (33.5% cash & 16.5% equity performance rights)	60%	110%

The maximum number of performance rights to be offered to Key Executives is calculated by dividing the maximum opportunity value for each Key Executive by the volume weighted average share price as determined by the board.

For the performance year ending 30 June 2024, using $0.0915 (**20-day VWAP 30 June 2023**) for LTIs and 0.796 (**20-day VWAP 30 June 2024**) for STIs, the following Performance Rights and cash awards have been/ will be issued:

Disclosures by Value ($) of Maximum Opportunity for PY 2024 (1 July 23 to 30 June 24)

Executive	TFR ($)	Max Opportunity STI ($) 50% TFR [1]	2/3 of STI Cash ($)	1/3 of STI Rights ($)	Max Opportunity LTI ($) [2]	Max Opportunity At Risk Remuneration ($)	Max Opportunity TFR + At Risk ($)with vesting hurdles over 3 years	Actual STI[1] $ (50% of Max opportunity)	Actual LTI [3]	TFR + incentive (if STI award fully vested across next 2 years) ($)
Mr Mutz	676,854	338,427	226,746	111,681	609,169	947,596	1,624,450	169,214	TBD	846,068
Mr McEvoy	437,091	218.546	146,425	72,120	262,255	480,800	917,891	109,273	TBD	546,364
Mr Colton	483,770	241,885	162,063	79,822	290,262	532,147	1,015,917	120,943	TBD	604,713

Note

1 The Board determined the performance score for STI cash and performance rights for the PY ended 30 June 2024 at 50%. For further disclosures on this measurement of actual STI rights awarded see section 3.5.7.

2 Max LTI is set at 90% of TFR for the MD and 60% for the CFO and COO.

3 The Board will determine each Key Executive's performance against LTI KPIs shortly after 30 June 2026 and will use that LTI performance score to determine the percentage of the maximum LTI opportunity achieved (Percentage LTI Achieved). The number of LTI performance rights that vest after 30 June 2026 will be determined by multiplying the Percentage LTI Achieved times the maximum number of LTI performance rights issued.

Disclosures by Number of performance rights for PY 2024 1 July 23 to 30 June 24 (PRs)

Executive	LTI PRs (#) maximum opportunity	STI PRs (#) maximum opportunity	Total STI and LTI maximum opportunity PRs	STI PRs Not awarded	STI PRs Awarded (subject to 12-month and 24-month continuity of employment condition)	Max Opportunity LTIs with 3-year performance measures at 30/06/26
Mr Mutz	6,657,580 [1]	1,403,027	8,064,141	701,512	701,514	6,657,580
Mr McEvoy	2,866,170	906,030	5,207,568	453,016	453,015	2,866,170
Mr Colton	3,172,262	1,002,790	5,763,709	501,395	501,395	3,172,262
	12,696,013				**1,655,923**	12,696,013

Note

1. Approval for the issue of these LTI performance rights to Mr Mutz was obtained under listing rule 10.14 at the Company's AGM held 30 May 2024.

9 KEY MANAGEMENT PERSONNEL CONTRACTS

Remuneration arrangements for Key Management Personnel are formalised in employment agreements. The following outlines the details of contracts:

EXECUTIVES

Patrick Mutz – Managing Director

- TFR - $676,854 per annum inclusive of superannuation, and allowances.
- Performance bonus – participates in a Group-wide executive performance incentive scheme, including both short-term and long-term incentives.
- Allowances – from 1 July 2024, an allowance of up to $50,000 per 12-month period or proportion is deducted from the TFR whilst IMA is located in Perth for accommodation and airfares for travel between Adelaide and Perth.
- The Group also provides a Group vehicle for use on Group business and commuting between his place of residence in the Perth area and the corporate office and the Group's various mining and exploration sites as and when necessary.
- The agreement may be terminated by the Group by the provision of six months written notice. The employee may terminate the contract by the provision of three months' notice.

John McEvoy – Chief Financial Officer

- TFR - $437,091 per annum (from 1 July 2024) inclusive of superannuation.
- Performance bonus – participates in a Group-wide executive performance incentive scheme, including short-term and long-term incentives.
- The agreement may be terminated by the Group by the provision of six months written notice. The employee may terminate the contract by the provision of three months' notice.

Todd Colton – Chief Operating Officer

- TFR - $483,770 per annum (from 1 July 2024) inclusive of superannuation.
- Performance bonus – participates in a Group-wide executive performance incentive scheme, including both short-term and long-term incentives.
- The agreement may be terminated by the Group by the provision of six months written notice. The employee may terminate the contract by the provision of three months' notice.

10 KEY QUESTIONS AND ANSWERS ON HOW THE INCENTIVES WORK

10.1 SHORT TERM INCENTIVE PLAN (STIP)

WHAT IS STIP?

This is the plan that governs the component of at-risk remuneration annually relating to the achievement of the Board-approved short-term performance measures. These measures are linked to operational and financial targets and relate to the Company's short-term strategic objectives. These targets are identified in detail below.

HOW IS STIP REMUNERATION PAID?

The portion of the STIP that becomes payable (subject to the fulfilment of conditions) is settled two thirds as a cash component and one third as performance rights. 1/3 of the PRs vest 12-months following the end of the performance period with continuing employment and 2/3s vesting after 24-months following the end of the performance period with continuing employment.

WHY DOES THE BOARD CONSIDER STIP IS APPROPRIATE?

The Group's STIP is designed to link any short-term incentive payments with the Group's achievement of overall performance targets that are aligned to the Group's short term strategic objectives as laid out by management and endorsed by the Board at beginning of the relevant PY. This serves to strengthen the link between executives' remuneration and the delivery of annual targets and priorities.

Further, a reward structure that provides a portion of total remuneration as at-risk is considered necessary to provide competitive and up-to-date remuneration packages relative to market.

DOES STIP TAKE INTO ACCOUNT ACHIEVEMENT AGAINST OBJECTIVES?

Yes. The STI performance targets are established at the start of the financial year. Outcomes relative to these targets are reviewed at the end of the financial year and award of STIs are made dependent on performance achieving the specific KPI targets set at the start of the year subject to the overriding discretion of the Board. The quantum awarded will vary depending on percentage achievement against the performance criteria set at the beginning of the year. The target performance is 60% of maximum opportunity.

HOW MUCH DO THE KMPS EARN FROM STIP?

The maximum STI opportunity for each executive is 50% of TFR per annum.

The STIP is designed with an indicative 5% chance of achieving 100% of maximum opportunity: an indicative 50% chance of achieving a target award of 60% of maximum opportunity; and an indicative 95% chance of achieving the threshold award of 30% of maximum. This structure was adopted based on the advice of independent remuneration consultant Remsmart Consulting Services (Remsmart) (formerly BDO Reward WA Pty Ltd)

WHAT DID KMPS EARN FROM THE STIP FOR PY2024

The Remuneration Committee assessed the performance outcomes against the STI PY2024 KPIs and calculated the overall percentage of STIs achieved. For PY 2024 the Board determined that 50% of the possible maximum opportunity STI was to be awarded to KMPs based on the performance measures set in July 2023. This is lower than the target of 60%.

This translated to cash and performance rights awards as shown in the following table:

What were the performance criteria and how was the 50% achievement against short term performance measures for PY24 determined?

Name	Maximum STI opportunity (50% of TFR)	Actual STI Awarded (50% of maximum opportunity)	STI Portion to be awarded as cash [1]	STI Portion to be awarded as Performance Rights($)	Number of Performance Rights (based on 20-day VWAP to 30 June 2024) to be issued May 2025 [2]
Patrick Mutz	$338,427	$169,214	$113,373	$55,840	701,514 [3]
John McEvoy	$218,546	$109,273	$73,213	$36,060	453,015
Todd Colton	$241,885	$120,943	$81,031	$39,911	501,395
	$798,858	**$399,429**	**$267,617**	**$131,811**	**1,655,923**

Note

1. The cash payment has been deferred

2. One third of the STI performance rights issued are subject to a vesting condition that the Key Executive remains an employee of the Company until 30 June 2025, with the remaining STI performance rights subject to a vesting condition that the Key Executive remains an employee of the Company until 30 June 2026

3. Approval for issue of the STI performance rights to Mr Mutz was given under Listing Rule 10.14 at the Company's annual general meeting held in May 2024

Objective	KPI	Purpose	Weighting	Awarded
Operational	Achievement of budgeted sales tonnes and negotiation of pricing model for Atlas	Maintaining operations (production levels and budgeted costs) in accordance with the operating plan and approved budget	10%	7.5%
Actual HMC sales of 140kt substantially exceeded the target KPI Budget of 106kt. Target KPI of negotiating HMC pricing model for Atlas was not achieved.				
Financial	• Achievement of target cash balances and debts facilities. • Investment targets and insurance coverage. • Stretch targets on cash and debt facilities were identified	Cash management is paramount during the revenue gap between Boonanarring and Atlas.	35%	30.6%
Minimum cash balances held at 30 June 24 exceeded target KPI and the stretch goal. The KPI on securing US$20 million debt for Atlas working capital was not achieved as contemplated, due to nil interest from debt providers for such a short term project as Atlas. However, a financial model and data pack for Atlas and Yandanooka was built, and several potential debt providers for the Yandanooka Project were identified. In addition, the Management Team re-generated HMC off taker Natfort's interest in potentially providing a Prepayment facility to support Atlas. A US$20 million prepayment facility was secured towards end of FY 2024. Consequently, partial credit was awarded.				
Growth	Delivery of a bankable feasibility study on Bidaminna by June 24, PFS on mineral separation plant and securing access to McCalls for geotechnical studies were target KPIs and stretch targets included early commencement of construction at Atlas, strong BFS results on Bidaminna and completing a BFS on Yandanooka.	Growth is critical. The importance of accelerating the project development timelines to move the Company toward multi-project operating status advancing studies and/or development of longer life projects and evaluating opportunities to move into	45%	31.5%

Objective	KPI	Purpose	Weighting	Awarded
		mineral separation, product upgrading and expanding into global markets, will be critical to the future of the business.		
The Company went into cash conservation mode as a result of permitting delays for the Atlas Project. The Yandanooka PFS was completed as a target KPI, however the stretch goal of completing a BFS was not achieved as work was delayed for cash conservation purposes. The target KPI for a PFS on a mineral separation plant was also achieved. Partial credit was awarded for the progress made on the development of plans for the design and plans for a demo plant for SR production and seeking of Government grant support for demo plant.				
ESG & Sustainability	Zero fatalities, TRIFR <3 at 30 June 24, environmental and supplier compliance with sustainability targets.	Ensuring that all appropriate steps are taken to ensure the health, safety and well-being of all stakeholders; that the environment is duly protected; that community and stakeholder relations are positively maintained; and that the Company's governance policies are aligned to the applicable United Nations Sustainable Development Goals key to retaining the Company's social licence to operate and having access to lower cost investment capital for new projects.	10%	13% achievement of all targets and stretch KPIs
All target KPIs and stretch KPIs successfully achieved. TRIFR of 1.6 at 30 June 2024 exceeded target and stretch KPIs. Stretch goal of zero LTIs achieved. Also, more than 80% of suppliers surveyed use modern slavery audit software.				

WHAT ABOUT THE BRIDGING 6-MONTH GAP TO ALIGN THE CALENDAR AND PERFORMANCE YEARS?

For the financial year ended 31 December 2024, the board adopted a one-off short-term performance period of 6 months, as previously outlined, as a bridging measure to bring the performance year into line with the financial year. The value of the resulting cash and performance rights awards are detailed in the following table.

Name	Maximum STI opportunity 6 months (25% of TFR)	Actual STI Awarded (60% of maximum opportunity)	Portion awarded as cash (2/3s of STI award)	Portion awarded as Performance Rights (1/3 of STI award). These are subject to a 12-month and 24-month continuing employment vesting condition	Number of Performance Rights (based on 20-day VWAP to 31 Dec 2024 $0.0923) to be issued May 2025 [1]
Patrick Mutz	$169,213	$101,528	$68,024	$33,504	362,993
John McEvoy	$109,273	$65,563	$43,928	$21,636	234,410
Todd Colton	$120,943	$72,565	$48,619	$23,946	259,443
	$399,429	**$239,656**	**$160,570**	**$79,087**	**856,846**

Note

1. **Approval for issue of the STI performance rights to Mr Mutz will be requested given under Listing Rule 10.14 at the Company's annual general meeting to be held in May 2025.**

WHAT WERE THE PERFORMANCE CRITERIA FOR THIS PERIOD AND HOW WAS THE 60% ACHIEVEMENT AGAINST 6-MONTH KPIS TO 31 DECEMBER 2024 MEASURED?

Objective	KPI	Weighting	Awarded
Financial	Cash balances and debts facilities; construction of Atlas within budget and insurance coverage; budgeted funding secured	45%	26%
While there were delays in the drawdown on the funding due to external factors, funding requirements were resolved in December 2024, with favourable terms. Minimum cash buffers and insurance coverages were achieved, along with rapid progression of Atlas construction within budget. The stretch KPI of maintaining a A$10m minimum cash buffer was achieved. Stretch KPIs for completing construction at Atlas by 31 Dec and finalising debt funding for Yandanooka were not achieved.			
Growth & Developments	Primary focus for KPIs were Atlas project permitting, development and construction; including adherence to timelines and no reportable environmental and regulatory infractions.	55%	34%
Approvals for Atlas were received as per ASX announcement 9 August 2024 and construction of Atlas progressed in line with budgeted timelines. Safety, regulatory and environmental targets were met. The target KPI of securing a minimum $1m Government grant for SR demonstration plant was not achieved. Due to cash conservation protocols, the stretch goal of completing a BFS on Yandanooka was not achieved. Also, the stretch goal of completing Atlas construction by the end of December was not achieved.			

WHAT DID THE KMPS EARN FROM STIS IN THE PRIOR YEAR, PY 2023 AND HOW WAS THIS ASSESSED?

The summary of the performance scoring for Key Executives for the STI PY2023 KPIs equated to a percentage STI achieved of 62%, compared to a target score of 60%.

Resulting value of STI cash and performance rights awards as shown in the following tables:

Name	Maximum STI opportunity (50% of TFR)	Actual STI Awarded (62%of maximum opportunity)	Portion awarded as cash (2/3rds)	Portion awarded as Performance Rights ($) (1/3rd)	Number of Performance Rights (based on 20-day VWAP to 30 June 2023) issued Feb 24
Patrick Mutz	$328,570	$203,713	$136,488	$67,225	734,703
John McEvoy	$212,180	$131,552	$88,140	$43,412	474,445
Todd Colton	$234,840	$145,601	$97,553	$48,048	525,116
	$775,590	**$480,866**	**$322,181**	**$158,686**	**1,734,270**

Approval for issue of the STI performance rights to Mr Mutz was obtained under Listing Rule 10.14 at the Company's annual general meeting held on 30 May 2023.

One third of the STI performance rights issued were subject to a vesting condition that the Key Executive remains an employee of the Company until 30 June 2024, with the remaining STI performance rights subject to a vesting condition that the Key Executive remains an employee of the Company until 30 June 2025.

WHAT WERE THE PERFORMANCE CRITERIA AND WHAT IS THE BREAKDOWN OF THE BOARD'S MEASUREMENT OF THE 62% AWARD AGAINST TARGET?

Objective	KPI	Purpose	Max Weighting %	Awarded % of
Operational	• Processing, production and sale targets. • Finalise schedule and plan to implement rehabilitation • Deliver all Atlas project approvals and plans for construction • Stretch targets processing and production at Boonanarring	Maintaining operations (production levels and at budgeted costs) in accordance with the operating plan that is supported by an approved budget is a key driver to success.	30%	17%
Processing, production, and sales targets exceeded. Rehabilitation schedule finalised. Completed all equipment and infrastructure planning for Atlas development. Boonanarring ore processing extended.				
Financial	• Overall EBITDA bonus trigger exceeded. • NPAT as per approved budget. • Cash, investment, insurance and compliance targets achieved. • Stretch targets Company EBITDA and NPAT and potential options for financing capital requirements for Bidaminna by 30 June 2023 achieved.	Clearly the overall financial performance of the Company is the most critical element of success. Therefore this area of the business (EBITDA with appropriate adjustments) serves as the 'trigger' for paying out any bonuses. To be clear, if the company does not meet the 'trigger' financial 'minimum target', no bonuses are paid, unless approved by the Board on a justifiable exception basis.	30%	26%
Bonus trigger was achieved and exceeded and all financial and stretch targets achieved apart from Bidaminna financing. This was due to BFS being delayed and downgraded to a PFS. .				
Growth	Target KPIs to complete PFS on Bidaminna, scoping studies on Eneabba Tenements (esp. Yandanooka) and mineral separation plant, scoping study on McCalls, Mineral Resources estimate for gold tenements and establish credible SR production testing program for ilmenite from Bidaminna and McCalls. Stretch KPIs to finalise investment case (internally) for proceeding with Bidaminna development expenditures by 30 June 2023, including approval to commission Bidaminna BFS, and by 30 June 2023, develop credible preliminary development plan to achieve 3 mineral sands mining projects operating in parallel, with >8 years mine life each, and including conceptual capital funding plan.	Effectively achieving KPIs established to move the Company towards multi-project operating status, advancing studies and/or development of longer life projects and evaluating opportunities to move into mineral separation, product upgrading and expanding into global markets, will be critical to the future of the business.	20%	13%
All target KPIs except McCalls concept study were achieved and both stretch targets were largely achieved.				

Objective	KPI	Purpose	Max Weighting %	Awarded % of
ESG	• Establish and publish inaugural, formal ESG Framework and Sustainability Report for publication in conjunction with CY2022 Annual Report. • Zero fatalities for PY2023. • 12-month rolling TRIFR less than 10 (per million hours worked) as at 30 June 2023. • Environmental Management System fully operational, and no significant regulatory breaches • Develop detailed plan for treatment on rehabilitation area at Boonanarring by 31 March 2023. • Enhanced community relations protocols expanded to all exploration and development sites to maintain Image's social licence to operate, as measured by training logs. • Stretch targets - Formal, Board approved ESG policies and protocols developed in line with ICMM standards and communicated to all stakeholder groups by 30 June 2023. Zero lost-time incidents. 12-month rolling TRIFR less than 5.0 per million hours worked as at 30 June 2023. Large-scale treatment on rehabilitation area at Boonanarring by 30 June 2023	Ensuring that all appropriate steps are taken to ensure the health, safety and well-being of employees, contractors, local landowners, visitors and the general public; that the environment is duly protected; that community and stakeholder relations are positively maintained; and that the Company's overall governance policies are aligned to the appropriate and applicable United Nations Sustainable Development Goals, will be key to retaining the Company's social licence to operate and having access to lower cost investment capital required for new projects development	20%	6%
There were no fatalities, the plan for application of clay and mulch on rehabilitation land was completed and development of a formal ESG framework was partially achieved. No stretch KPIs were achieved.				

10.2 LONG TERM INCENTIVE PLAN (LTIP)

WHY DOES THE BOARD CONSIDER A LTIP APPROPRIATE?

An effective LTIP that is aligned to the strategic objectives of the Company, can motivate executives to drive performance and optimise long term shareholder value. It links a significant proportion of potential reward to the Company's achievement of operational milestones and growth in share price and returns to shareholders. An effective LTIP is a key part of the remuneration framework to attract and retain talented executives given the prevailing remunerative practices landscape.

HOW IS THE LTI PAID?

The LTI awards are to be delivered as performance rights granted to Executive KMPs in accordance with the Company's Incentive Award Plan (**Plan**). Each performance right, subject to conditions, may convert into an ordinary fully paid share for nil consideration. Long term awards are issued annually at the discretion of the Board and remained unvested until the end of the three-year performance period. The LTI KPI performance measures, as set by the Board, are scored at the end of the performance period, and performance rights vest at the level of scoring of performance, with a target of 60% of maximum LTI opportunity and the threshold score is 30% of maximum opportunity. Any performance rights that does not vest based on performance scoring are forfeited and no ordinary shares will be issued for these rights. There is also a trigger KPI of no fatalities during the 3rd year of each LTI grant, which if not achieved, will result in zero performance rights vesting for that year

WHO CAN PARTICIPATE IN THE LTIP?

Eligible participants are executive and non-executive directors and any associated body corporate of the Company and any full, part time or casual employees of individual service providers of any group Company. Company policy does not allow the award of performance rights to non-executive directors.

HOW MANY PERFORMANCE RIGHTS ARE ISSUED?

The maximum opportunity value of an award is determined by the Board at its discretion, in accordance with applicable law and stock exchange rules. The dollar value of the maximum opportunity award is calculated as a percentage of the TFR, that percentage varying according to the Executive KMPs' positions and roles in the Company. For PY 2024 the MD was allocated a maximum opportunity value at 90% of TFR and the CFO and COO at 60% of TFR. The number of performance rights to be issued is the Executive KMPs LTI maximum opportunity value divided by the volume weighed average price prior to the first trading day of the measurement period.

The percentage level of vesting is determined based on performance scoring against LTI KPIs following the end of the performance period.

WHAT IS THE PERFORMANCE PERIOD?

The LTI performance period is 3 years. Note, as already discussed in section 3, the LTI measurement period for the PY 2025 will be an exceptional, one off, 30 months (in lieu of 36 months). This shortened has been adopted as part of the transition to bring the performance year (PY) into line with the financial year (FY).

HOW IS PERFORMANCE MEASURED FOR THE DETERMINATION OF AN LTI AWARD?

Long-term KPIs are developed by the RNC and approved by the Board. The targets are developed to align with the Company's strategic plan and deliverables. The performance targets are a disclosed weighted mix of measures relating to long-term operational strategy and shareholder return. These are disclosed in detail for PY24in the paragraphs that follow.

At the end of the measurement period, the Board with the RNC, assesses achievement against objectives to determine if and at what level performance measures were me, as a % achievement including provision for any discretionary adjustment the Board sees fit.

WHAT IS THE EXPIRY DATE OF THE PERFORMANCE RIGHTS?

ASX Guidance Note 19 currently provides that ASX policy is for performance rights to have a maximum 5-year expiry date. The Company policy is to set a three year expiry date.

WHAT IS USED TO MEASURE PERFORMANCE FOR THE LTIP?

For PY24 1 July 2023 to 30 June 2026 Refer to Section 11

FROM PY2024 ONE OF THE KPIS IS SHAREHOLDER PERFORMANCE SCORE – HOW IS THIS MEASURED?

Shareholder performance score is a simple average of the Absolute Shareholder Performance Score and the Relative Shareholder Performance Score. For PY24 the score achieved from this calculation will be applied to the weighting of 40% assigned to shareholder performance to calculate the number of performance rights that would be awarded against this measure.

*Absolute Shareholder Performance (**ASP**) Score*
ASP calculates Shareholder return for the performance period. The absolute shareholder return (**ASR**) is calculated based on the change in capital value (share price and dividends) over the performance period (opening value over closing value across the 3-year LTI period).

If ASR is less than +20%, a score of 0 will be assigned to the ASP portion of the shareholder performance score average calculation.

If ASR is greater than +20%, a score of twice the calculated shareholder returns will be assigned to the ASP portion of the shareholder performance score average calculation.

Relative Shareholder Performance (RSP) Score
This score ranks the shareholder returns relative to the returns of peer group companies selected with the approval of the independent remuneration consultant for the PY2024 performance period but excluding any who are determined by the board at the end of the measurement period to have ceased to be peers in any objectively meaningful sense.

If the Company ranks in the bottom half of the peer group ranking, a score of 0 will be assigned to the RSP portion of the shareholder performance score average calculation.

If the peer group ranking is in the top half, a score equal to that ranking percent will be assigned to the RSP portion of the shareholder performance score average calculation.

WHY IS THE PEER GROUP AN APPROPRIATE MEASURE FOR RELATIVE SHAREHOLDER RETURN FOR PY24
The selected peer group consists of the same basket of companies used for executive TFR benchmarking by Remsmart in 2022. The peer group companies are selected as facing similar risks and market conditions as the Company, sharing common value drivers such as commodity prices, wages, and funding costs.

WHAT HAPPENS TO THE PERFORMANCE RIGHTS IF A KMP IS NO LONGER EMPLOYED BY THE COMPANY?
If the employee ceases employment with the Company, all unvested performance rights will lapse except if the Company exercises its discretion to override that result.

WHAT HAPPENS IN A CHANGE OF CONTROL EVENT
If such an event occurs, any vesting conditions will be deemed to be automatically waived, pro-rated to reflect time elapsed and performance as determined by the Board acting reasonably, with any residual/ unvested rights lapsing.

IS THERE A DEFERRAL MECHANISM?
Not in the terms of grant of the performance rights albeit a deferral might be imposed as a condition of an award.

ARE THEIR MISCONDUCT OR CLAWBACK PROVISIONS?
Where the board has determined that an employee has acted fraudulently or dishonestly or with gross negligence, the board may deem any unvested or any vested but unexercised rights to have lapsed.

CAN THE BOARD USE ITS DISCRETION TO VARY THE MAXIMUM WEIGHTINGS?
Where it sees fit, the Board may, acting in good faith, use its discretion to vary the maximum weightings, allocate weightings to alternative milestones or impose conditions to awards.

11 LTI PERFORMANCE RIGHTS PY 2024 (1 JULY 2023 TO 30 JUNE 2026)

	Summary of Terms
Financial Year of Issue	31 December 2024 (issued 29 May 2024)
Performance period	3 years: 1 July 23 – 30 June 26
Award opportunity	90% of TFR for MD and 60% for CFO and COO
Status	To be reviewed for vesting award after 30/06/26

Period	Name	Maximum # of rights [1,2]	Measurement Date	Expiry Date [3]
PY 2024	Patrick Mutz	6,657,580	30 June 2026	30 June 2028
	John McEvoy	2,866,170	30 June 2026	30 June 2028
	Todd Colton	3,172,262	30 June 2026	30 June 2028

Note

1. Number of rights calculated by dividing the maximum LTI opportunity for each executive by the 20-day VWAP at 30 June 2023, being $0.0915
2 Approval for the LTI performance rights to Mr Mutz was obtained at the Company's annual general meeting held 28 May 2024. They were issued 29 May 2024.
3 Any unvested performance rights or vested performance rights not exercised before the expiry date will automatically lapse on the expiry date.

Performance Conditions and Weightings

There is an overriding HSE hurdle of no fatalities during the final 12-months of the measurement period.

For LTI performance rights issued related to the performance period 1 July 2023 to 30 June 2026 the following weightings of the performance conditions in deciding the level of attainment of LTI performance goals apply:

Performance hurdle	Weighting	Performance Condition	Level of Vesting		
			0%	Minimum Target	Stretch Target
Total Shareholder Return	40%	Calculated based on changes in capital value as measured by Share Price and dividends across the 3-year LTI performance period.	Average of Relative Performance Score and Absolute Performance Score		
		Relative Performance Score: shareholder returns relative to peer group companies.	< 50% in the peer group ranking, score is 0	>= 50% in peer group rankings, then % score is equal to that ranking percent	
		Absolute Performance Score	< 20%, score is 0	>=20% absolute shareholder returns, then % score is equal to two times the absolute Shareholder returns	
Ore Reserves	20%		<500 million tonnes	500 million tonnes of new Ore Reserves (from 30 June 2023) then a score of 20% is earned	500 million tonnes of additional new Ore Reserves (above Minimum Target) then an ADDITIONAL 20% is earned

Performance hurdle	Weighting	Performance Condition	Level of Vesting		
			0%	Minimum Target	Stretch Target
Growth & Sustainability	20%			Positive feasibility study on McCalls and/or Mindarra Springs or other projects with 20+ years of mine life in a single project, a score of 20%	Positive feasibility study on McCalls and/or Mindarra Springs or other projects with 40+ years of mine life in a single project or two projects with 20+ years of mine life each an ADDITIONAL 20% is earned
	20%			Positive feasibility study on synthetic rutile production facility a score of 20%	Final Investment Decision on synthetic rutile production facility an ADDITIONAL 20% is earned

12. STATUTORY KEY MANAGEMENT PERSONNEL REMUNERATION DISCLOSURE

The remuneration table below has been prepared in accordance with accounting standards as required by the *Corporations Act 2001.*

The accounting standards require the disclosure of the expense to the Company in the financial years presented, which may result in only a portion of total awarded remuneration being disclosure where payments are deferred. Additionally, accounting standards require share-based payments expenses to be calculated using the grant date fair value (rather than current market prices).

Remuneration for the years ended 31 December 2024 and 31 December 2023

		Short-term benefits				Long term benefits		Share-based Payments		
	Financial Year	Salary [1] ($)	STI Cash Bonus [2] ($)	Non-monetary benefits [3] ($)	Other ($)	Long Service Leave [4]	Superannuation ($)	Performance rights [9] ($)	Total ($)	Performce related % [5]
Executive Directors										
Patrick Mutz (MD & CEO)	2024	605,534	-	44,540	-	14,652	28,884	192,569	886,179	22%
	2023	597,776	255,576	40,869	[6] 43,889	24,565	27,403	-	990,078	
Executive Officers										
John McEvoy (CFO)	2024	408,244	-	-	-	9,578	28,847	90,130	536,799	17%
	2023	403,259	151,673	-	-	9,832	27,466	-	592,230	
Todd Colton (COO)	2024	454,912	-	-	-	10,841	28,858	99,756	594,367	16%
	2023	449,225	166,082	-	-	25,874	27,500	-	668,681	
George Sakalidis	2024	-	-	-	-		-		-	
	2023	32,583	-	-	[7] 160,473		3,421	-	196,477	
	2024	1,468,690	-	44,540	-	35,071	86,589	382,455	2,017,345	
	2023	1,482,843	573,331	40,869	204,362	60,271	85,790	-	2,447,466	

Notes

1. Excludes payments made under the compulsory superannuation guarantee
2. The cash component of the STI earned, paid following assessment of performance for the year.
3. Non-monetary benefits include allowances paid for travel and accommodation during the financial year.
4. Accrual in long service leave over the year.
5. Reflects the percentage of total remuneration that is performance-related (short-term cash settled STI and shared-based payments relating to the STI and LTI Plans).
6. Annual leave paid out.
7. Long service leave and annual leave paid out on resignation on 14 March 2023
8. The values used for share-based payments are based on accounting estimates as disclosed in detail in Note 20 to the financial statements.

EQUITY HOLDINGS OF KEY MANAGEMENT PERSONNEL

OPTIONS

No options were held by KMPs at 31 December 2024 and no options were granted, forfeited or lapsed during the year ended 31 December 2024.

PERFORMANCE RIGHTS AUTHORISED FOR ISSUE UNDER INCENTIVE AWARD PLAN

Details of performance rights issued during the reporting period are as follows:

Name	Balance 01/01/24	STIs Issued 16/2/24 (PY 23)	Exercised by Holder	LTIs Issued 16/2/24 (PY23)	LTIs Issued 29/5/24 (PY 24)	Balance 31/12/24	Vested to 31/12/24 [1]	Number of rights available for vesting [2]
Patrick Mutz	-	734,703		6,463,672	6,657,580	13,855,957	244,901	13,611,056
John McEvoy	-	474,448		2,782,688	2,866,170	6,123,306	158,148	5,965,158
Todd Colton	-	525,118	(174,864)	3,079,868	3,172,262	6,602,384	175,039	6,602,209
Total	**-**	**1,734,270**	**(174,864)**	**12,326,228**	**12,696,013**	**26,581,647**	**578,088**	**26,178,423**

Note
1. One third of PY 23 STIs vested subject to continued employment at 30 June 2024 and two-thirds continued employment at 30 June 2025
2. Against future measurement of performance against approved metrics

Details of valuations of performance rights issued as compensation to KMPs. during the reporting period

Name	Balance 01/01/24	Issue Date	Fair value at issue date	Weighted average fair value per right	Expiry date	Measurement date	Expensed FY 31/12/24
Patrick Mutz							
STI	734,703	16/02/24	$44,082	$0.06	30/06/26	30/06/23	$33,396
LTI maximum opportunity PY23	6,463,672	16/02/24	$271,474	$0.04	30/06/27	30/06/25	$113,525
LTI maximum opportunity PY24	6,657,580	29/05/24	$220,221	$0.03	30/06/28	30/06/26	$45,738
John McEvoy							
STI	474,448	16/02/24	$28,467	$0.06	30/06/26	30/06/23	$21,566
LTI maximum opportunity PY23	2,782,688	16/02/24	$116,873	$0.04	30/06/27	30/06/25	$48,874
LTI maximum opportunity PY24	2,866,170	29/05/24	$94,807	$0.03	30/06/28	30/06/26	$19,691
Todd Colton							
STI	525,118	16/02/24	$31,507	$0.06	30/06/26	30/06/23	$23,868
LTI maximum opportunity PY24	3,079,868	16/02/24	$129,354	$0.04	30/06/27	30/06/25	$54,094
LTI maximum opportunity PY24	3,172,262	29/05/24	$104,932	$0.03	30/06/28	30/06/26	$21,793
Total							**$382,455**

Performance Rights Exercised by Key Management Personnel

174,864 fully paid ordinary shares were issued on the exercise of 174,864 performance rights by KMPs during the year as disclosed in the table below.

Shareholdings of Key Management Personnel

The number of shares in the Company held at the beginning and end of the year and net movements during the financial year by key management personnel and/or their related entities are set out below:

Name	Balance at Beginning of Year	Purchased During the Year (on Market)	Expired during the Year [1]	Performance Rights Exercised	Balance at End of Year
Executive Directors					
Patrick Mutz	5,040,358	3,035,000	(1,309,478)	-	6,765,880
Executive Officers					
John McEvoy	2,604,148	-	(860,903)	-	1,743,245
Todd Colton	2,178,770	-	(962,319)	(174,864)	1,391,315
Total	9,823,276	3,035,000	(3,132,700)	(174,864)	9,900,440

Note

1. Employee share plan shares that expired on 08/10/2024. The employee had no legal right to the shares after this date, even though they were still registered in their name. These shares were bought back by the Company on 02/12/2024.

Loans to KMP and/or their Related Parties

The following interest-free and fee-free limited recourse loans were outstanding at 31 December 2024, relating to the Employee Share Plan.

KMP	Balance at 01/01/2024	Expired during Period	Balance at 31/12/2024
Loan for Employee Share Plan shares issued 08/10/21. Repayable by 08/10/24. Interest free			
Patrick Mutz	**$212,135**	**($212,135)**	**-**
John McEvoy	**$139,466**	**($139,466)**	**-**
Todd Colton	**$155,896**	**($155,896)**	**-**
Loan for Employee Share Plan shares issued 12/09/22. Repayable by 12/09/25. Interest free			
Patrick Mutz	**$215,373**	**-**	**$215,373**
John McEvoy	**$145,000**	**-**	**$145,000**
Todd Colton	**$148,867**	**-**	**$148,867**

OTHER EQUITY-RELATED KMP TRANSACTIONS

There have been no other transactions involving equity instruments, apart from those described in the tables above, relating to options, rights and shareholdings.

OTHER TRANSACTIONS WITH KMP AND/OR THEIR RELATED PARTIES

There were no other transactions conducted between the Group and KMP or their related parties, apart from those disclosed above relating to equity, compensation, and loans, that were conducted other than in accordance with normal employee, customer or supplier relationships on terms no more favourable than those reasonably expected under arm's length dealings with unrelated persons.

13. NON-EXECUTIVE DIRECTOR REMUNERATION

13.1 NON-EXECUTIVE DIRECTOR REMUNERATION FRAMEWORK

Fees paid to non-executive Directors are recommended by the Remuneration Committee and approved by the Board. As per the Company's constitution and ASX Listing Rules, the maximum aggregate fees paid to non-executive directors should be determined by the shareholders at a general meeting. On 30 May 2023 under Clause 13 (9) of the Company's Constitution, shareholders approved the maximum aggregate fees to be paid to Directors to be $700,000 per annum.
No fee increases have been granted during the 2024 financial year.

The following table summarises the fees received for each non-executive director and their roles on the board.

Director	Annual Directors Fees	Committee Fees
Mr R Besley (Non-Executive Chair)	$171,000 (inclusive of super)	-
Mr P Thomas (Non-Executive Director)	$100,500 (inclusive of super)	$16,000 (inclusive of super)
Mr A Soo (Non-Executive Director)	$88,000	$6,000 [1]
Mrs R Xu (Non-Executive Director)	$80,000	-
Mr W Lee (Non-Executive Director)	$80,000	$6,000 [1]

Note

1. No super is required to be paid as the Directors are permanent foreign residents

13.2 CHANGES TO THE NON-EXECUTIVE DIRECTOR REMUNERATION FRAMEWORK

Until 1 October 2024, the non-executive directors received a fixed remuneration package that included a cash fee and, for Australian resident directors, statutory superannuation contributions. Directors also receive additional fees for serving as committee members and chairs. The fees reflect the demands placed on them and their responsibilities.
In CY 2023 the RNC engaged BDO Remuneration and Reward (BDO) to benchmark executive remuneration and non-executive director fees and to review the remuneration framework with respect to fixed remuneration, short term and long-term incentives with the objective of recommending changes to ensure remuneration remained appropriate, market competitive and aligned with shareholder expectations. In their report received in CY 2023 "Non-Executive Director Remuneration Report", one of the recommendations of BDO was that up to 33% of NED salaries be paid in equity with the purpose of:

- ensuring a strong alignment between the board and the shareholder interests; and
- having the advantage of preservation of operational cashflow.

To put effect to the recommendation as of 1 October 2024, the Company has withheld payment of 30% of director fees. These are accrued and will be settled with equity instruments following approval by shareholders at the next general meeting. Amounts accrued for settlement in this manner are disclosed in Table of non-executive director fees in 16.5 below

13.3 RETIREMENT AND SUPERANNUATION PAYMENTS

Prescribed benefits were provided by the Company to directors by way of superannuation contributions to externally managed complying superannuation funds during the year. These benefits were paid as superannuation contributions to satisfy the requirements of the Superannuation Contribution Guarantee Act and in satisfaction of any salary sacrifice requests. All contributions were made to accumulation type funds selected by the director and accordingly actuarial assessments were not required.

13.4 NON-EXECUTIVE DIRECTOR OPTIONS

No Non-Executive Director (NED) options were issued during the year ended 31 December 2024 or the year ended 31 December 2023.

On 27 May 2023, 8,000,000 (NED) options expired. These options had been issued on 27 May 2021 to NEDs at an exercise price of $0.32 per share with an expiry date of 27 May 2023.
No options were held by directors at 31 December 2024.

The number of options held by Non-Executive Directors during the year ended 31 December 2023 is set out below:

Name	Balance 01/01/2023		Exercised	Lapsed	Balance 31/12/2023
Robert Besley	2,000,000	-	-	(2,000,000)	-
Chaodian Chen	2,000,000	-	-	(2,000,000)	-
Aaron Chong Veoy Soo	2,000,000	-	-	(2,000,000)	-
Peter Thomas	2,000,000	-	-	(2,000,000)	-
	8,000,000	**-**	**-**	**(8,000,000)**	**-**

13.5 SUMMARY OF NON-EXECUTIVE DIRECTOR FEES

Each Non-Executive Director's actual remuneration for the year ended 31 December 2024 and the year to 31 December 2023 is shown below. Each Non-Executive Director has an unspecified term of appointment, which is subject to the Company's Constitution. Conditions are reviewed at least annually by the Remuneration Committee. There are no termination benefits for any Non-Executive Director.

Non-Executive Director fees for the years ended 31 December 2024 and 31 December 2023 were as follows:

	FY	Base Fees per annum $	Audit Committee Fee $	Remuneration Committee Fee $	Post employment Superannuation $	Total $	Portion not paid in CY2024 [1]
Robert Besley	**2024**	**[2] 171,000**	**-**	**-**	**-**	**171,000**	**9,833**
	2023	167,883	-	-	5,784	173,667	-
Peter Thomas	**2024**	**91,763**	**[3] 10,000**	**6,000**	**8,737**	**116,500**	**8,737**
	2023	88,954	10,000	6,000	11,383	116,337	-
Aaron Soo	**2024**	**88,000**	**6,000**	**-**	**-**	**94,000**	**7,051**
	2023	88,000	6,000	-	-	94.000	-
Ran Xu	**2024**	**80,000**	**-**	**-**	**-**	**80,000**	**6,000**
	2023	80,000	-	-	-	80,000	-
Winston Lee	**2024**	**80,000**	**6,000**	**-**	**-**	**86,000**	**6,450**
	2023	80,000	[4] 8,548	-	-	88,548	-
Former non-executive directors							
Chaodian Chen [5]	2023	25,000	-	-	-	25,000	-
	2024	**510,763**	**22,000**	**6,000**	**8,737**	**547,500**	**38,071**
	2023	529,837	24,548	6,000	17,167	577,552	-

Fees are inclusive of superannuation where required.

Note

1. Portion to be paid on a date to be agreed following receipt of first revenue from Atlas.
2. Includes committee fees.
3. Chair of Audit & Risk Committee.
4. Winston Lee committee fees in 2023 covers period of 29/07/2022 to 31/12/2023.
5. Chaodian Chen retired as a director on 30 May 2023.

13.6 SHARES HELD BY NON-EXECUTIVE DIRECTORS

Name	Balance 01/01/2024	Purchased during the Year	Other	Balance 31/12/ 2024
Non-Executive Directors				
Robert Besley	666,667	-	-	666,667
Peter Thomas	2,104,306	-	-	2,104,306
Aaron Soo	15,000,000	-	-	15,000,000
Winston Lee	151,515,494	-	-	151,515,494
Ran Xu	-	31,000,000	221,530,369	[1] 252,530,369
Total	**169,286,467**	**31,000,000**	**221,530,369**	**179,012,043**

Note

1. Ms Ran Xu on 5 August 2024 through inheritance under a will became the holder in shares of the Company through the investments of Murray Zircon Pty Ltd and Orient Zirconic Resources (Australia) Pty Ltd in the Company. Murray Zircon acquired a further 31,000,000 shares on market on 2 December 2024

14 OTHER DISCLOSURES

14.1 CONSULTANT AGREEMENTS

DW Corporate Pty Ltd provides the services of Dennis Wilkins as Company Secretary. These services are provided under a services agreement for a fixed monthly retainer fee of $2,000 plus additional services charged at specified hourly rates. Four months' written notice of termination is required from either party.

END OF REMUNERATION REPORT

The Remuneration Report forms part of the Directors' Report and has been audited in accordance with section 300A of the Corporations Act 2011 (*Cth).*

This Report of Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of the directors.

ROBERT BESLEY
CHAIR
Perth, 28 March 2025

ELDERTON
AUDIT PTY LTD

Auditor's Independence Declaration

As the auditor for the audit of Image Resources NL for the year ended 31 December 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 audit; and

II) no contraventions of any applicable code of professional conduct in relation to the audit.

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
28th March 2025
Perth

Consolidated statement of profit or loss and other comprehensive income

For the Year Ended 31 December 2024

	Notes	Year to 31 Dec 2024 ($000)	Year to 31 Dec 2023 ($000)
Continuing operations			
Operating sales revenue	3	-	119,133
Cost of sales	3	-	(94,225)
Gross profit		-	24,908
Government royalties		-	(5,649)
Shipping and other selling costs		-	(6,742)
Corporate expenses		(6,739)	(7,683)
Exploration and evaluation expenses		(1,568)	(4,173)
Impairment – Property, Plant & Equipment		-	(2,230)
Rehabilitation costs – closed sites		(4,066)	(685)
Other income and expense		89	46
Foreign currency gain / (loss)	3	605	(141)
Operating loss		(11,679)	(2,349)
Finance income	3	1,478	1,048
Financing costs	3	(3,271)	(3,317)
Loss before income tax		(13,472)	(4,618)
Income tax expense / (benefit)	6	4,058	(89)
Loss for the year from continuing operations		(9,414)	(4,707)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Changes in the fair value of financial assets measured at fair value through other comprehensive income		6	(5)
Items that will not be reclassified to profit or loss			
Hedging gain / (loss)		-	(405)
Total other comprehensive income / (loss)		6	(410)
Total comprehensive loss for the year		(9,408)	(5,117)
Net profit loss attributable to owners of Image Resources NL		(9,414)	(4,707)
Total comprehensive income / (loss) attributable to owners of Image Resources NL		(9,408)	(5,117)

	Notes	Cents	Cents
Earnings per share			
Basic earnings / (loss) per share	5	(0.85)	(0.43)
Diluted earnings / (loss) per share	5	(0.83)	(0.47)

The accompanying notes form part of these financial statements.

Consolidated statement of financial position

As at 31 December 2024

	Notes	31 Dec 2024 ($000)	31 Dec 2023 ($000)
Current assets			
Cash and cash equivalents	7	19,946	46,197
Trade and other receivables	8	2,556	2,654
Inventory	11	2,060	2,077
Other financial assets	9	1,532	2,862
Total current assets		26,094	53,790
Non-current assets			
Property, plant and equipment	10	141,168	99,116
Other financial assets	9	27	2,364
Deferred tax assets	6	10,918	10,395
Total non-current assets		152,113	111,875
Total assets		178,207	165,665
Current liabilities			
Trade and other payables	12	11,817	4,680
Provisions	13	1,203	4,356
Borrowings	14	8,864	111
Total current liabilities		21,884	9,147
Non-current liabilities			
Provisions	13	57,223	45,798
Borrowings	14	1,020	-
Total non-current liabilities		58,243	45,798
Total liabilities		80,127	54,945
Net assets		98,080	110,720
Equity			
Issued capital	15	123,235	126,893
Reserves	16	18,494	18,062
Accumulated losses	16	(43,649)	(34,235)
Total equity		98,080	110,720

The accompanying notes form part of these financial statements.

Consolidated statement of changes in equity

For the Year Ended 31 December 2024

	Issued Capital ($000)	Profit Reserve Account ($000)	Other Reserves ($000)	Accum'd Losses ($000)	Total ($000)
Balance at 1 January 2023	**127,331**	**18,682**	**31**	**(29,847)**	**116,197**
Comprehensive profit					
Operating profit for the year	-	-	-	(4,707)	(4,707)
Other comprehensive income	-	-	(410)	-	(410)
Transfer to profit reserve – dividend	-	-	78	-	78
Total comprehensive profit for the year	-	-	(332)	(4,707)	(5,039)
Transactions with owners in their capacity as owners					
Warrants cancelled during the year	-	-	(265)	265	-
Shares cancelled during the year	(438)	-	-	-	(438)
Options cancelled during the year	-	-	(54)	54	-
Cost of share issue	-	-	-	-	-
Total transactions with owners in their capacity as owners	(438)	-	(319)	319	(182)
Balance at 31 December 2023	**126,893**	**18,682**	**(620)**	**(34,235)**	**110,720**

	Issued Capital ($000)	Profit Reserve Account ($000)	Other Reserves ($000)	Accum'd Losses ($000)	Total ($000)
Balance at 1 January 2024	**126,893**	**18,682**	**(620)**	**(34,235)**	**110,720**
Comprehensive profit					
Operating loss for the year	-	-	-	(9,414)	(9,414)
Other comprehensive income	-	-	6	-	6
Other comprehensive income – tax affect	-	-	(76)	-	(76)
Total comprehensive profit for the year	-	-	(70)	(9,414)	(9,484)
Transactions with owners in their capacity as owners					
Shares cancelled during the year	(3,674)	-	-	-	(3,674)
Shares issued - performance rights conversion	16	-	-	-	16
Share based payment	-	-	502	-	502
Total transactions with owners in their capacity as owners	(3,658)	-	502	-	(3,156)
Balance at 31 December 2024	**123,235**	**18,682**	**(188)**	**(43,649)**	**98,080**

The accompanying notes form part of these financial statements.

Consolidated statement of cash flows

For the Year Ended 31 December 2024

	Notes	Year to 31 Dec 2024 ($000)	Year to 31 Dec 2023 ($000)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		-	118,171
Payments to suppliers and contractors		(12,431)	(87,626)
Interest received		1,590	913
Interest paid		(329)	(1,616)
Other income		92	46
Income tax (paid) / refund		4,775	(15,809)
Net cash from / (used in) operating activities	7	(6,303)	14,079
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for security deposits		(206)	-
Purchase of property, plant and equipment		(22,697)	(11,297)
Payments for exploration and evaluation		(5,416)	(8,581)
Net cash used in investing activities		(28,319)	(19,878)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		8,016	-
Borrowing repayments		(282)	-
Dividends paid		-	(980)
Net cash used in financing activities		7,734	(980)
Net increase / (decrease) in cash held		(26,888)	(6,779)
Cash at beginning of the year		46,197	53,455
Effect of exchange fluctuations on cash held		637	(479)
Cash and cash equivalents at the end of the year	7	19,946	46,197

The accompanying notes form part of these financial statements.

Note 1 Basis of Preparation

The financial statements cover the consolidated group comprising Image Resources NL (the Company) and its subsidiaries, together referred to as Image or the Group. The Company is a for-profit company limited by shares and incorporated in Australia, whose shares are publicly traded on the Australian Stock Exchange. The financial statements were authorised for issue on 28 March 2025.

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards (IFRSs). Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

These financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. The Directors consider the going concern basis of preparation to be appropriate based on forecast future cash flows.

Foreign Currency Translation

Both the functional and presentation currency of the Company is in Australian Dollars.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange at balance date. All translation differences relating to transactions and balances denominated in foreign currency are taken to the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

Critical Accounting Estimates, Assumptions and Judgements

The Group makes estimates and assumptions concerning the future in applying its accounting policies. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are found in the following notes:

Income Tax	Note 6
Property, Plant and Equipment	Note 10
Provisions	Note 13

Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the period in which the estimates are revised, and future periods affected.

Rounding of amounts

All amounts in the financial statements have been rounded to the nearest thousand dollars, except as indicated, in accordance with the ASIC Corporations Instrument 2016/191.

Other Accounting Policies

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements or at note 26

Note 2 Operating Segments

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 minerals sands production and exploration Group. Currently all the Group's mineral sands tenements and resources are located in Western Australia.

Revenue and assets by geographical region

The Group's revenue is derived from sources and assets located wholly within Australia.

Major customers

The Group currently provides products to one off-taker plus one other buyer outside the primary offtake agreement.

Financial information

Reportable items required to be disclosed in this note are consistent with the information disclosed in the Statement of Profit or Loss and Other Comprehensive Income and Statement of Financial Position and are not duplicated here.

Accounting Policy

Operating segments are reported in a manner that is consistent with the internal reporting to the chief operating decision maker ("CODM"), which has been identified by the Group as the Managing Director and other members of the Board of Directors.

Note 3 Revenue and Expenses

	Year to 31 Dec 2024 ($000)	Year to 31 Dec 2023 ($000)
Sales Revenue		
Concentrate sales	-	119,133
Operating Expenses		
Mine operating costs	-	(46,247)
Depreciation and amortisation	-	(19,631)
Amortisation of capitalised borrowing costs	-	(2,460)
Inventory movement	-	(25,887)
Cost of sales	-	(94,225)
Gross Profit	-	24,908
Foreign Currency Gain / (Loss)		
Realised foreign currency loss	(36)	(63)
Unrealised foreign currency gain / (loss)	641	(78)
	605	(141)
Finance Income		
Interest income	1.478	1,048
Finance Costs		
Interest expense	(359)	(1,364)
Financing costs	(97)	(10)
Unwinding of rehabilitation discount	(2,815)	(1,943)
	(3,271)	(3,317)

Note 3 Revenue and Expenses (Cont'd)

Accounting Policy

Revenue Recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Note 4 Auditors Remuneration

	Year to 31 Dec 2024 ($000)	Year to 31 Dec 2023 ($000)
Amounts received or due and receivable by the auditors of the Company for:		
- Auditing and reviewing the financial reports – (Elderton Audit Pty Ltd)	58	57

Note 5 Earnings Per Share	Year to 31 Dec 2024 (Cents)	Year to 31 Dec 2023 (Cents)
Basic loss per share	(0.85)	(0.43)
Diluted loss per share	(0.83)	(0.47)
	($000)	**($000)**
Reconciliation of loss used in calculating earnings per share		
Loss attributable to ordinary equity holders of the Company used in calculating basic and diluted loss per share	(9,414)	(4,707)
	Number of shares	**Number of shares**
Weighted average number of ordinary shares used in the calculation of basic loss per share	1,105,078,643	1,082,978,494
Weighted average number of ordinary shares used in the calculation of diluted loss per share		
Weighted average number of ordinary shares (basic)	1,105,078,643	1,082,978,494
Effects of dilution from:	-	
Warrants	-	1,285,353
Options	-	3,221,918
Performance rights	23,512,296	-
Weighted average number of ordinary shares (diluted)	1,128,590,939	1,087,485,765

The Company had no options (2023: Nil) over fully paid ordinary shares on issue at balance date.

Accounting Policy

(i) Basic Loss per Share – Basic loss per share (EPS) is determined by dividing the profit or loss from continuing operations after related income tax expense by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted Loss per Share – Options that are considered to be dilutive are taken into consideration when calculating the diluted loss per share.

Note 6 Income Tax	Year to 31 Dec 2024 ($000)	Year to 31 Dec 2023 ($000)
The major components of income tax expense for the years ended 31 December 2024 and 2023 are:		
Current income tax		
Current income tax charge	-	4,961
Adjustments in respect of current income tax of previous years	(3,461)	912
Deferred income tax		
Relating to origination and reversal of temporary differences	(4,033)	(4,884)
Adjustments in respect of deferred tax of previous years	3,436	(900)
Income tax expense in the statement of profit or loss	(4,058)	89

	Year to 31 Dec 2024 ($000)	Year to 31 Dec 2023 ($000
Reconciliation of income tax expense to prima facie tax payable		
The prima facie tax payable on profit / (loss) from ordinary activities before tax is reconciled to the income tax (expense) / benefit as follows:		
Accounting loss before tax	(13,473)	(4,618)
Prima facie tax on operating loss at statutory rate of 30% (2022: 30%)	(4,042)	(1,385)
Share based payments expense	155	-
Non-deductible expenses	10	124
Other assessable income	98	99
Derecognition of previously recognised capital losses	-	1
Under provision in prior year	(26)	-
Capital raising costs charged to equity	(5)	(12)
Adjustments in respect of current income tax of previous years	(3,461)	912
Adjustments in respect of deferred tax of previous years	3,461	(900)
Non-assessable income	(180)	-
Movement in unrecognised temporary differences	(68)	1,250
Income tax expense	(4,058)	89

The Corporate tax rate payable by the Company if the Company was required to pay income tax in the year ended 31 December 2024 was 30% (31 December 2023: 30%). The deferred tax asset held on the balance sheet is calculated at the 30% income tax rate.

Deferred tax assets	10,918	15,196
Deferred tax liabilities	-	(4,801)
Net deferred tax assets / (liabilities)	10,918	10,395

Composition of and movements in deferred tax assets and liabilities during the year

	Assets		Liabilities		Net	
	2024 ($000)	2023 ($000)	2024 ($000)	2023 ($000)	2024 ($000)	2023 ($000)
Property, plant and equipment	-	-	(4,032)	(3,609)	(4,032)	(3,609)
Financial derivatives	-	68	-	-	-	68
Provisions and accruals	397	439	-	-	397	439
Capital raising costs	6	11	-	-	6	11
Income tax losses	4,499	-	-	-	4,499	-
Mine rehabilitation	15,521	14,676	-	-	15,521	14,676
Unrealised foreign exchange gains	17	-	-	-	17	-
Other deferred tax assets	13	2	-	-	13	2
Borrowing costs	-	-	-	-	-	-
Receivables	-	-	-	(40)	-	(40)
Prepayments	-	-	(232)	(28)	(232)	(28)
Consumables	-	-	(617)	(623)	(617)	(623)
Inventories	-	-	-	-	-	-
Exploration & mine properties	-	-	(4,650)	(499)	(4,650)	(499)
Financial derivatives	-	-	-	-	-	-
Investments	-	-	(4)	(2)	(4)	(2)
Net deferred tax assets / (liabilities)	20,453	15,196	(9,535)	(4,801)	10,918	10,395

Accounting Policy

The income tax expense for the year comprises current income tax expense and deferred tax expense.

Current income tax expense charged to the Statement of Profit or Loss and Other Comprehensive Income is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities and assets are therefore measured at the amounts expected to be paid to or recovered from the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses, if any in fact are brought to account.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Key Estimate - Recovery of Deferred Tax Assets or Liabilities

Judgement is required in determining whether deferred tax assets or liabilities are recognised in the Consolidated Statement of Financial Position. Deferred tax assets or liabilities, including those arising from unutilised tax losses, require management to assess the likelihood that the Group will generate taxable earnings in future periods, in order to utilise recognised deferred tax assets or liabilities. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise net deferred tax assets or liabilities could be impacted. Additionally, future changes in tax laws could limit the ability of the Group to obtain tax deductions in future periods.

The Group has unrecognised deferred tax assets or liabilities arising from tax losses and other temporary differences. The ability of the Group to utilise its tax losses is subject to meeting the relevant statutory tests.

The income tax expense has been estimated and calculated based on management’s best knowledge of current income tax legislation. There may be differences with the treatment of individual jurisdiction provisions, but these are not expected to have any material impact on the amounts as reported.

	31 Dec 2024 ($000)	31 Dec 2023 ($000)
Note 7 Cash and Cash Equivalents		
Cash at bank	12,724	22,181
Deposits at call	7,222	24,016
	19,946	46,197
Cash flows from operating activities reconciliation		
Operating profit / (loss) after income tax*:*	(9,414)	(4,707)
Effect of non-cash items		
Income tax expense	716	(15,720)
Depreciation and amortisation expense	203	24,632
Exploration and evaluation expense	1,587	4,170
Profit on sale of property, plant and equipment	3	1
Realised foreign currency loss	34	401
Share based payments	518	-
Unrealised foreign currency (gain) / loss	(641)	78
Changes in operating assets and liabilities:		
Decrease in trade and other receivables relating to operating activities	(533)	631
Decrease in prepayments	39	48
(Increase) / Decrease in inventory	17	25,873
Increase / (Decrease) in trade and other payables relating to operating activities	(1,618)	(16,065)
Decrease in provisions	2,786	(5,263)
Cash flow from operations	(6,303)	14,079

Recognition and Measurement

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

Note 8 Trade and Other Receivables		
GST refundable	1,339	191
Income tax refundable	-	1,314
Restricted cash – security for guarantees	348	142
Prepayments	814	852
Other receivables	55	155
	2,556	2,654

Note 9 Other Financial Assets		
Current		
Loans to employees – (Employee share plan)	1,023	646
Loans to Key Management Personnel – (Employee share plan)	509	2,216
	1,532	2,862
Non-Current		
Loans to Employees – (Employee Share Plan)	-	1,834
Loans to Key Management Personnel (Employee Share Plan)	-	509
Equity investments at fair value – shares in listed corporations	27	21
	27	2,364

Note 10 Property, Plant and Equipment

	Plant and Equipment ($000)	Land and Buildings ($000)	Mine Development ($000)	Borrowing Costs ($000)	Exploration ($000)	Total ($000)
Year ended 31 December 2023						
Balance at 1 January 2023	16,140	26,068	23,644	2,460	38,733	107,045
Additions	8,752	3	2,099	-	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	(2,045)	-	(17,913)	(2,460)	-	(22,418)
Closing Net Book Value	25,808	21,841	8,394	-	43,073	99,116
At 31 December 2023						
Cost	79,368	21,841	88,401	21,968	43,073	254,651
Accumulated Depreciation	(53,560)	-	(80,007)	(21,968)	-	(155,535)
Closing Net Book Value	25,808	21,841	8,394	-	43,073	99,116
Year ended 31 December 2024						
Balance at 1 January 2024	25,808	21,841	8,394	-	43,073	99,116
Additions	24,332	6	9,590		3,124	37,052
Mine closure and rehabilitation asset	-	-	5,487	,	,	5,487
Disposals	(3)	-	-		-	(3)
Depreciation	(484)	-	-		-	(484)
Closing Net Book Value	49,653	21,847	23,471	-	46,197	141,168
At 31 December 2024						
Cost	76,671	21,847	84,326	-	46,197	229,041
Accumulated Depreciation	(27,018)	-	(60,855)	-	-	(87,873)
Closing Net Book Value	49,653	21,847	23,471	-	46,197	141,168

Property, plant and equipment includes construction and development costs for the Atlas heavy mineral sands mine. Mine development expenditure represents the cost incurred in preparing mines for commissioning and production, other attributable costs incurred before production commences and mine closure and rehabilitation costs.

Approval for the Atlas mineral sands mine was received in August 2024 and construction commenced. The accommodation camp was completed in September 2024 and dismantling of the Boonanarring wet concentration plant was completed in October 2024, for transport to the Atlas project site. At year end the Company was on track to commence commissioning and for first heavy mineral concentrate production to occur in Q1 2025.

Land represents farm lots at Boonanarring and Atlas which the Group has acquired for future operations. One farm lot has been impaired down to fair value as this is no longer required and will be sold.

Borrowing costs incurred financing the senior debt facility were fully capitalised to property, plant and equipment. Depreciation on plant and equipment, mine development and borrowing costs is charged to the inventory cost base.

The calculation of the plant and equipment depreciation assumes that the plant and equipment will have a market value of $15M once the processing of all Boonanarring mined ore has been completed.

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.

Leases

The Group has lease contracts for motor vehicles and office equipment used in its operations. The leases have lease terms between 3 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The right of use assets is included in Plant and Equipment above as their values are too immaterial to state separately.

Set out below are the leased assets carrying amounts recognised and the movements during the period.

	Office Lease ($000)	Motor Vehicles ($000)	Equipment Leases ($000)	Total ($000)
Year ended 31 December 2023				
Balance at 1 January 2023	158	51	-	209
Additions	-	168	-	168
Depreciation	(118)	(140)	-	(258)
Closing Net Book	40	79	-	119
Year ended 31 December 2024				
Balance at 1 January 2024	40	79	-	119
Additions	1,050	22	364	1,436
Disposals	-	-	-	-
Depreciation	(203)	(85)	(46)	(334)
Closing Net Book	887	16	318	1,221

Recognition and Measurement of Property, Plant and Equipment

Property, plant and equipment is stated at historical cost, less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items and costs incurred in bringing the asset into use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item flow to the Group and the cost of the item can be measured reliably.

Mine development costs are capitalised to property, plant and equipment only once a decision to mine is made and the development is fully funded. Mine development expenditure represents the cost incurred in preparing mines for commissioning and production, and also includes other attributable costs incurred before production commences. These costs are capitalised to the extent they are expected to be recouped through successful exploitation of the related mining project. Once production commences, these costs are amortised over the estimated economic life of the mine on a units of production basis. Mine development costs are written off if the mine property is abandoned. Development costs incurred to maintain production are expensed as incurred against the related production.

At each reporting date, the entity assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the entity makes a formal assessment of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount. Recoverable amount is the greater of fair value less costs of disposal and value in use.

Depreciation

Depreciation is provided on a straight-line or units of production basis on all plant and equipment commencing from the time the asset is held ready for use. Major depreciation periods are:

- Plant and equipment – 1 to 5 years
- Motor vehicles – 3 to 5 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The assets' residual values, useful lives and depreciation methods are reviewed at each reporting period and adjusted prospectively, if appropriate.

Right of Use Assets
As a lessee, the Group recognises a right-of-use asset, representing its right to use the underlying asset and a corresponding lease liability, on the statement of financial position, for leases (other than short term and low value lease). The right-of-use asset is amortised on a straight-line basis over its lease term.

The Group recognises the right-of-use asset and the lease liability at the lease commencement date. The right-of-use asset is initially measured at cost (at the present value of future lease payments), and subsequently at cost less accumulated depreciation, any impairment losses and adjustments for remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments expected to be paid over the lease term, discounted using the interest rate implicit in the lease or, if the rate cannot be readily determined, then the Groups' incremental borrowing rate or, where not available, a market rate alternative. The lease liability is further remeasured if the estimated future lease payments change.

Key Estimate - Impairment of Property, Plant and Equipment and Mine Development Expenditure
Non-current assets are assessed for impairment when there is an indication that their carrying amount may not be recoverable. The recoverable amount of each Cash Generating Unit (CGU) is determined as the higher of value-in-use and fair value less costs of disposal estimated on the basis of discounted present value of the future cash flows (a level 3 fair value estimation method).

The estimates of discounted future cash flows for each CGU are based on significant assumptions including:
- estimates of the quantities of mineral reserves and ore resources for which there is a high degree of confidence of economic extraction and the timing of access to these reserves and ore resources;
- future production levels and the ability to sell that production;
- future product prices based on the Group's assessment of forecast short and long-term prices for each of the key products;
- future exchange rates for the Australian dollar compared to the US dollar using external forecasts by recognised economic forecasters;
- future cash costs of production, sustaining capital expenditure, rehabilitation and mine closure;
- the asset specific discount rate applicable to the CGU.

Determination of Mineral Resources and Ore Reserves
The determination of reserves impacts the accounting for asset carrying values, depreciation and amortisation rates, and provision for decommissioning and restoration. The information in this report as it relates to ore reserves, mineral resources or mineralisation is reported in accordance with the AusIMM "Australian Code for Reporting of Identified Mineral Resources and Ore Reserves 2012". The information has been prepared by or under supervision of competent persons as identified by the Code.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may ultimately result in the reserves being restated.

Note 11 Inventory

	31 Dec 2024 ($000)	31 Dec 2023 ($000)
Current		
Stores and consumables	2,060	2,077

Accounting Policy
Inventories of consumable supplies and spare parts to be used in production are valued at weighted average cost.

Note 12 Trade and Other Payables

	31 Dec 2024 ($000)	31 Dec 2023 ($000)
Current		
Trade creditors	7,611	2,688
Accruals	4,082	1,400
Dividends payable	102	102
Other payables	22	490
	11,817	4,680

Trade creditors, accruals, GST and tax payables and other payables are normally settled on 30 Day terms.

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

Note 13 Provisions

	31 Dec 2024 ($000)	31 Dec 2023 ($000)
Current		
Employee leave benefits	1,203	1,232
Mine closure and rehabilitation	-	3,124
	1,203	4,356
Non-Current		
Mine closure and rehabilitation	57,223	45,798
	57,223	45,798
Movement in mine closure and rehabilitation		
Balance at the beginning of the year	48,922	52,503
Increase in rehabilitation estimate – (property, plant & equipment)	-	1,526
Increase in rehabilitation estimate – closed site – (profit and loss)	-	685
Rehabilitation estimate - Atlas	5,486	-
Rehabilitation activities	-	(7,735)
Unwinding of discount	2,815	1,943
	57,223	48,922

Mine closure and rehabilitation obligations

The calculation of the mine closure and rehabilitation provision requires assumptions such as application of environmental legislation, plant closure dates, available technologies, engineering costs and inflation and discount rates. A change in any of the assumptions used may have a material impact on the carrying value of mine closure and rehabilitation obligations. The Company now has rehabilitation obligations for the closed Boonanarring mine site and now also the Atlas mine site where construction and the initial pre strip of the mining pit has commenced.

Boonanarring Mine

The mine closure and rehabilitation provision is recorded as a liability at a discounted fair value, assuming a risk-free discount rate equivalent to the 5 year Australian US Government bond rate of 4.0% as at 31 December 2024 (31 December 2023: 4.0%) and an inflation factor of 3.28% (31 December 2023: 3.28%). Although the ultimate amount to be incurred is uncertain, management has, at 31 December 2024, estimated the asset retirement cost of work completed to date with a total undiscounted estimated cash flow has remained unchanged of $53,000,000 (31 December 2023: $53,000,000). Management's estimate of the underlying asset retirement costs are independently reviewed by an external consultant on a regular basis for completeness and was most recently reviewed in December 2024.

Atlas Mine

The mine closure and rehabilitation provision is recorded as a liability at a discounted fair value, assuming a risk-free discount rate equivalent to the 5 year Australian US Government bond rate of 4.0% as at 31 December 2024 and an inflation factor of 2.5%. Although the ultimate amount to be incurred is uncertain, management has, at 31 December 2024, estimated the asset retirement cost of work completed to date with a total undiscounted estimated cash flow of $5,487,000.

Accounting Policy

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

Mine Closure and Rehabilitation

A mine closure and rehabilitation provision is recognised at the commencement of a mining project and/or construction based on the estimated costs necessary to meet legislative requirements by estimating future costs and discounting these to a present value. The provision is recognised as a liability, separated into current (estimated costs arising within twelve months) and non-current components based on the expected timing of these cash flows. A corresponding asset is included property, plant and equipment (mine development assets section), only to the extent that it is probable that future economic benefits associated with the restoration expenditure will flow to the entity and is amortised over the life of the mine.

At each reporting date the mine closure and rehabilitation provision is re-measured in line with changes in discount rates and timing or amounts of the costs to be incurred. Adjustments to the estimated amount and timing of future closure and rehabilitation cash flows are a normal occurrence considering the significant judgements and estimates involved and are dealt with on a prospective basis as they arise.

Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by non-casual employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Key Estimate - Rehabilitation and Site Restoration Provision

Significant estimates and assumptions are made in determining the provision for rehabilitation of the mine as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes, cost increases as compared to inflation rates, and changes in discount rates. These uncertainties may result in future actual expenditure differing from amounts currently provided.

Changes in the liability relating to mine closure and rehabilitation obligations are added to or deducted from the related asset (where it is probable that future economic benefits will flow to the entity), other than the unwinding of the discount which is recognised as a financing expense in the Statement of Profit and Loss and Other Comprehensive Income. Changes in the asset value have a corresponding adjustment to future amortisation charges.

The mine closure and rehabilitation provision does not include any amounts related to remediation costs associated with unforeseen circumstances.

Note 14 Borrowings

	Interest Rate	31 Dec 2024 ($000)	31 Dec 2023 ($000)
Current			
Lease liabilities	(8%)	205	111
Insurance premium funding	(9%)	612	-
HMC Prepayment Facility	(10%)	8,047	-
		8,864	111
Non-Current			
Lease liabilities	(8%)	1,020	-
		1,020	-

During the year the Company entered into a US$20M Offtake Prepayment Facility with a key Chinese offtake partner. The facility is unsecured with a 12 month term. The Facility funds are provided to support working capital requirements for the development of the 100% owned Atlas mineral sands project. The facility and interest is to be repaid by the delivery of market priced heavy mineral concentrate (HMC) from Atlas.

The facility was with Shantou Natfort Zirconium and Titanium Co.,Ltd (Natfort). Natfort has been the Company's key offtake customer for HMC previously produced at the Company's Boonanarring project. After the execution of the US$20M Offtake Prepayment Facility arrangement that was executed in October 2024, Image and Natfort agreed to allow Natfort to share the provision of the funding under the facility to minimise the risk to Image of a single funding provider. As such, 50% of the $US20M funding obligation under the Prepayment Facility was shifted to Billion Sunny Investment Limited, which is an independent third-party financing entity incorporated in Cayman Islands. The shared participation in the Facility was approved on the basis that it was on the same terms and conditions as the Natfort Prepayment Facility.

US$5M was drawn down during December 2024 and US$15M drawn down in January 2025. Nominally 25% of each shipment of Atlas HMC will be delivered free of charge to repay the Facility. The value of the repayment is based on a market based HMC pricing model operating under the HMC Offtake Agreement. The interest rate charged is 10% compounded monthly.

Lease Liabilities Movement	31 Dec 2024 ($000)	31 Dec 2023 ($000)
Balance at the beginning of the year	111	197
Additions	1,436	168
Accretion of interest	16	18
Payments	(338)	(272)
Balance at the end of the year	1,225	111

Lease liabilities includes leases for motor vehicles and the office lease for three years from 1 May 2021 for Level 2, 7 Ventnor Avenue, West Perth WA 6005.

Leases

As a lessee, the Group recognises a right-of-use asset, representing its right to use the underlying asset and a corresponding lease liability, on the statement of financial position, for leases (other than short term and low value lease). The right-of-use asset is amortised on a straight-line basis over its lease term.

The Group recognises the right-of-use asset and the lease liability at the lease commencement date. The right-of-use asset is initially measured at cost (at the present value of future lease payments), and subsequently at cost less accumulated depreciation, any impairment losses and adjustments for remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments expected to be paid over the lease term, discounted using the interest rate implicit in the lease or, if the rate cannot be readily determined, then the Groups' incremental borrowing rate or, where not available, a market rate alternative. The lease liability is further remeasured if the estimated future lease payments change.

Accounting Policy

Borrowings are initially recognised at fair value and revalued where the borrowings are denominated in a foreign currency.

Transaction costs paid on the establishment of loan facilities are capitalised to property, plant and equipment to the extent that it is probable that some or all of the facility will be drawn down and that the borrowings are directly related to the purchase of property, plant and equipment. Where there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is expensed to profit and loss. Borrowing costs incurred after the property, plant and equipment is installed and operating are expensed to the profit and loss statement directly.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

The fair value of financial liabilities carried at amortised cost approximates their carrying values.

Note 15 Issued Capital

	Year to 31 Dec 2024		Year to 31 Dec 2023	
	No.	($000)	No.	($000)
Contributed Equity – Ordinary Shares				
At the beginning of the period	1,081,242,100	126,893	1,084,193,616	127,331
Employee shares cancelled	(22,493,776)	(3,674)	(2,951,516)	(438)
Conversion of employee performance rights	174,864	16	-	-
At the market subscription deed shares	55,000,000	-	-	-
Balance at the end of the period	1,113,923,188	123,235	1,081,242,100	126,893

Terms and Conditions of Contributed Equity

Ordinary shares have the right to receive dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held, regardless of the amount paid up thereon. At a general meeting every shareholder present in person or by proxy, representative or attorney has: a) on a show of hands, one vote; and b) on a poll, one vote for each fully paid share held.

Accounting Policy

Ordinary share capital is recognised at the fair value of the consideration received by the Group. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Note 16 Reserves and Accumulated Losses

	31 Dec 2024 ($000)	31 Dec 2023 ($000)
Reserves		
Profit Reserve – Dividend	18,682	18,682
Other Reserves		
Fair value reserve of financial assets	10	5
Share based payments reserve	502	-
Other comprehensive income	(702)	(625)
Other comprehensive income – tax effect	2	-
	(188)	(620)
Closing balance	18,494	18,062
Profit Reserve Account		
Balance at the beginning of the year	18,682	18,682
Balance at the end of the year	18,682	18,682
Fair Value Reserve of Financial Assets		
Balance at the beginning of the year	5	10
Changes in the fair value of equity investments	5	(5)
Balance at the end of the year	10	5
Reserve – Warrants		
Balance at the beginning of the year	-	265
Exercise of warrants	-	(265)
Balance at the end of the year	-	-
Share Based Payments Reserve		
Balance at the beginning of the period	-	54
Cancellation of director options	-	(54)
Performance rights expense	518	-
Conversion of performance rights to shares	(16)	-
Balance at the end of the period	502	-
Other Comprehensive Income Reserve		
Balance at the beginning of the period	(625)	(298)
Other comprehensive income	-	(405)
Other comprehensive income – tax effect	(77)	78
Balance at the end of the period	(702)	(625)

Note 16 Reserves and Accumulated Losses (Cont'd)

	31 Dec 2024 ($000)	31 Dec 2023 ($000)
Other Comprehensive Income – Tax Effect Reserves		
Balance at the beginning of the period	-	-
Other comprehensive income	(77)	-
Other comprehensive income – tax effect	75	-
Balance at the end of the period	(2)	-

Profit Reserve Account

The profits from the prior years ended 31 December 2020 to 31 December 2022 were transferred to a profit reserve to be applied against future dividend payments.

Warrants Reserve

The warrants reserve is used to recognise the fair value of warrants issued.

Accumulated Losses		
Opening balance	(34,235)	(29,847)
Profit / (loss) for the year	(9,414)	(4,707)
Transfer to profit reserve account		-
Cancellation of warrants – share based payment reversal	-	265
Cancellation of director option – share based payment reversal	-	54
	43,649	(34,235)

a) Summaries of warrants granted

The following table details the number and weighted average exercise prices (WAEP) and movements in warrants issued during the year.

	Number 2024	WAEP 2024	Number 2023	WAEP 2023
Outstanding at 1 January	-	-	3,351,099	0.1365
Exercised during the year	-	-	-	-
Expired during the year	-	-	(3,351,099)	0.1365
Outstanding at 31 December	-	-	-	-
Exercisable at 31 December	-	-	-	-

b) Weighted average remaining contractual life

The weighted average remaining contractual life for the warrants outstanding as at 31 December 2024 is 0 years, (31 December 2023: 0 years).

c) Range of exercise price

The range of exercise prices for warrants outstanding at the end of the year was $0 to $0 (31 December 2023: $0).

d) Weighted average fair value

The weighted average fair value of warrants granted during the year was Nil (31 December 2023: Nil).

Note 16 Reserves and Accumulated Losses (Cont'd)

e) Warrants pricing model

The fair value of warrants previously granted was estimated as at the date of grant using a Black-Scholes option pricing model taking into account the terms and conditions upon which the warrants were granted.

The following table lists the inputs to the model used for the year ended 31 December 2018.

	31 Dec 2018 Tranche A	31 Dec 2018 Tranche B
Dividend yield (%)	Nil	Nil
Expected volatility (%)	85%	85%
Risk-free interest rate (%)	2.50%	2.47%
Expected life of warrants (years)	5.02	4.95
Warrant exercise prices ($)	$0.091	$0.79
Weighted average share price at grant date ($)	$0.13	$0.12

The minimum life of the Warrants is the length of any vesting period. The maximum life is based on the expiry date. For the purposes of these warrants the exercise date is estimated as the expiry date. The expected volatility reflects the assumption that the historical volatility was indicative of future trends, which may also not necessarily be the actual outcome. No other features of warrants granted were incorporated into the measurement of fair value.

Note 17 Tenement Expenditure Commitments

The Group has certain obligations to perform minimum exploration work on the tenements in which it has an interest. These obligations vary from time to time. The aggregate of the prescribed expenditure conditions applicable to the granted tenements for the next twelve months amounts to $2,108,887.

Application for exemption from all or some of the prescribed expenditure conditions will be made from time to time but no assurance is given that any such application will be granted. Nevertheless, the Group is optimistic, given its level of expenditure in the North Perth Basin, that it would likely be granted exemptions, on a project basis, in respect of the prescribed expenditure conditions applicable to many of its North Perth Basin tenements.

If the prescribed expenditure conditions are not met with respect to a tenement, that tenement is liable to forfeiture.

The Group has the ability to diminish its exposure under these conditions through the application of a variety of techniques including applying for exemptions (from the regulatory expenditure obligations), surrendering tenements, relinquishing portions of tenements or entering into farm-out agreements whereby third parties bear the burdens of such obligation in whole or in part.

Note 18 Tenement Access

The interests of holders of freehold land encroached by the Tenements are given special recognition by the Mining Act (WA). As a general proposition, a tenement holder must obtain the consent of the owner of freehold before conducting operations on such freehold land. Unless it already has secured such rights, there can be no assurance that the Group will secure rights to access those portions of the Tenements encroaching freehold land.

Note 19 Significant Events Subsequent to Reporting Date

The remaining US$15 million of funds available under the HMC Offtake Prepayment Facility were received in early January 2025. In February 2025, the Company commenced the commissioning of the Atlas project and produced first HMC. In March, the Company commenced trucking of HMC to Geraldton port in preparation for an expected April shipment.

Other than the events stated above, there has not been any other matter or circumstance that has arisen after the balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in future periods.

Note 20 Employee Benefits

Employee Share Plan

Under the terms of the Image Share Plan ("ESP"), as approved by shareholders, Image may, in its absolute discretion, make an offer of ordinary fully paid shares in Image to any Eligible Employee, to be funded by a limited recourse interest free loan granted by the Company.

The issue price is determined by the Directors and is not to be less than the volume weighted average price of shares in the 5 trading days prior to the Issue Date. Eligible Employees use the abovementioned loan to acquire the plan shares. The loan amount per share may in certain circumstances be more than the issue price where shareholder approval is required for the issue and the share price is more than the issue price. The shares may be sold 12 months after their issue date generally only if the employee is currently employed.

The following table illustrates the number, weighted average share loan prices (WASLP) and weighted average share issue price (WASIP), and movements in plan shares during the year.

	Number 2024	WASIP 2024	WASLP 2024	Number 2023	WASIP 2023	WASLP 2023
Outstanding at 1 January	34,132,436	0.153	0.153	37,083,952	0.152	0.152
Released to employee	(1,071,753)	-	-	-	-	-
Cancelled during the year	(22,493,776)	0.163	0.163	(2,951,516)	0.148	0.148
Outstanding at 31 December	10,566,907	0.145	0.145	34,132,436	0.153	0.153
Exercisable at 31 December	10,566,907	0.145	0.145	23,194,785	0.145	0.145

Incentive Awards Plan

The Incentive Award Plan (IAP) was approved by shareholders at the Annual Shareholder General Meeting held on 30 May 2023.

The IAP was adopted to give the Company more flexibility to motivate and incentivise employees, improve employee retention, and to better align incentive awards with longer term shareholder returns. This IAP was adopted as the existing Employee Share Plan (ESP) is limited to the issue of shares.

Under the terms of the IAP, Image may, in its absolute discretion, make an offer of shares, options or performance rights as incentives to Directors of the Company, employees or individual contractors. The Directors may specify the various terms and conditions of the offer.

On 6 February 2024 and on 29 May 2024 a total of 26,756,504 performance rights were issued to key management personnel of the Company in the form of short term and long term incentives.

Incentive Awards Plan - Performance Rights Issue

(a) General terms of the Performance Rights Issue

There is no consideration for the issue of the Rights.

One right entitles the holder to one share. The ratio of shares issued may be reduced if a satisfactory performance rating is not attained.

The holder is entitled to convert the rights to shares at the end of a vesting period. Any unvested rights and vested rights not exercised will expire after a defined period. If the employee ceases employment with the Company, all unvested performance rights will lapse except if the Company exercises its discretion.

The performance rights were issued for nil cash consideration. The amount payable upon exercise of each performance right is nil.

(b) Recognised share-based payment expense

The share-based payment expense is allocated over the balance of the vesting period.

Summary of performance rights granted.

	Number 2024	Number 2023
Outstanding at 1 January	3,761,066	-
Issued during the year	26,756,504	3,761,066
Converted to shares during the year	(174,864)	
Lapsed during the year	-	-
Outstanding at 31 December	30,342,706	3,761,066
Convertible at 31 December	403,224	-

(c) Weighted average remaining contractual life

The weighted average remaining contractual life for the performance rights outstanding as at 31 December 2024 is between 3 and 4 years. (31 December 2023: Between 3 and 4 years).

(d) Weighted average fair value

Weighted average fair value of performance rights granted during the year was $0.071 per share (2023: $0.068 per share).

(e) **Performance rights pricing model**

The fair value of the equity-settled performance rights granted under the incentive awards plan is estimated as at the date of grant using a Black-Scholes model taking into account the terms and conditions upon which the rights were granted.

The following table lists the inputs to the model used for the year ended 31 December 2024:

	16/02/2024 Issue	29/05/2024 Issue
Dividend yield (%)	0%	0%
Expected volatility (%)	114.17%	111.5%
Risk-free interest rate (%)	3.84%	4.11%
Expected life of performance rights (years)	3.4 years	4.1 Years

Non-Executive Directors Option Plan

The Shareholders of the Company approved the issue of 10,000,000 options to Non-Executive Directors of the Company at the Annual General Meeting of the Company on 27 May 2021. These options expired on 27 May 2023.

(a) General terms of Option Plan

There is no consideration paid for the issue of the Options.

There is no vesting period required for the exercise of the options to shares.

Unexercised options will lapse prior to the expiry date if a Directors ceases to be an officer or employee of the Company.

(b) Recognised share-based payment expense

The share-based payment expense for the year ended 31 December 2024 in relation the non-executive director option plan charged to profit and loss was Nil. (31 December 2023: Nil).

(c) Summary of options granted

	Number 2024	WAEP 2024	Number 2023	WAEP 2023
Outstanding at 1 January	-	-	8,000,000	0.32
Lapsed during the year	-	-	(8,000,000)	0.32
Outstanding at 31 December	-	-	-	-
Exercisable at 31 December	-	-	-	-

(d) Weighted average remaining contractual life

The weighted average remaining contractual life for the share options outstanding as at 31 December 2024 is Nil as the options have expired. (31 December 2023: Nil).

(e) Range of exercise price

The range of exercise price for options outstanding at the end of the year was $0 (2023: $0).

(f) Weighted average fair value

Weighted average fair value of options granted during the year was $0 (2023: $0).

(g) **Option pricing model**

The fair value of the equity-settled share options granted under the option plan is estimated as at the date of grant using a Black-Scholes model taking into account the terms and conditions upon which the options were granted.

The following table lists the inputs to the model used for the year ended 31 December 2021:

	2021
Dividend yield (%)	12.12%
Expected volatility (%)	50.33%
Risk-free interest rate (%)	0.015%
Expected life of options (years)	2 years
Option exercise price	$0.3200
Weighted average share price at grant date ($)	$0.1689

NOTE 21 RELATED PARTY AND RELATED ENTITY TRANSACTIONS

	31 Dec 2024 ($000)	**31 Dec 2023 ($000)**
Key Management Personnel Compensation		
Short-term employee benefits	1,580	2,301
Post-employment benefits	122	146
Equity-settled share-based payments	382	-
	2,084	2,447

Short-term employee benefits

These amounts include fees and benefits paid to non-executive Chair and non-executive directors as well as all salary and paid leave benefits awarded to executive directors and other KMP.

Post-employment benefits

These amounts are the costs of superannuation contributions payable for the period.

Equity-settled share-based payments

This amount is calculated as the fair value of the performance rights and represents the value of the services received during the period the options are held over the financial period. This value was calculated using the Black-Scholes option pricing model. Further information on the share-based payment transaction is disclosed in Note 20.

Further key management personnel remuneration information has been included in the Remuneration Report section of the Directors Report.

Transactions with other related parties

Transactions between related parties are on commercial terms and conditions, no more favourable than those available to other parties unless otherwise stated. Transactions with directors, director-related parties and related entities *other than those disclosed elsewhere in this financial report* are as follows:

	Year to 31 Dec 2024 ($000)	**Year to 31 Dec 2023 ($000)**
Expenses		
Spouse of Patrick Mutz – The Group purchases travel expenses from a national travel agency of which his spouse is an agent and receives a commission. The amount disclosed is an estimate of the fees and commissions which is shared between the agency and the spouse of Patrick Mutz	(3)	(4)
	(3)	(4)

Total amounts owing to directors and/or director-related parties and related entities at 31 December 2024 were Nil (31 December 2023: $Nil). All transactions were incurred on normal commercial terms and were arm's length transactions.

NOTE 22 CONTINGENT LIABILITIES

Other than those matters disclosed in Notes 17 and 18, there are no contingent liabilities or commitments.

NOTE 23 FINANCIAL RISK MANAGEMENT

a) Financial Risk Management Policies

The Group's financial instruments consist of deposits with banks, receivables, available-for-sale financial assets, payables, and borrowings.

Risk management policies are approved and reviewed by the Board.

Specific Financial Risk Exposure and Management

The main risks the Group is exposed to through its financial instruments, are commodity price, interest rate and liquidity risks.

Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at reporting date whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments.

Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows, cash reserves, liquid investments, receivables, financial liabilities, and commitments.

Capital Risk

Management controls the capital of the Group in order to maintain the appropriate working capital position to ensure that the Group can fund its operation, continue as a going concern and continue to provide returns for shareholders and benefits for other stakeholders. Capital is managed by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

The working capital position of the Group at 31 December 2024 and 31 December 2023 was as follows:

	31 Dec 2024 ($000)	31 Dec 2023 ($000)
Cash and cash equivalents	19,946	46,057
Restricted cash	346	140
Trade and other receivables	2,209	2,910
Inventory	2,060	2,077
Trade and other payables and provisions	(13,020)	(9,036)
Borrowings	(8,864)	(111)
Working capital position	2,677	42,037

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from cash and deposits with financial institutions as well as credit exposures to outstanding receivables.

The Group is not exposed to credit risk through sales of mineral sands product due to a letter of credit being in place prior to a mineral sands shipment leaving port. The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and notes to the financial statements.

The Group has lodged cash deposits (designated as restricted cash above) totalling $346,004 (2023: $139,645) with the bank as collateral security for office lease property managers for rental guarantees and also security for company credit cards.

The following table provides information regarding the credit risk relating to cash and cash equivalents, term deposits and restricted cash based on Standard & Poors credit ratings:

	31 Dec 2024 ($000)	31 Dec 2023 ($000)
AA- rated	13,722	31,312
A+ rated	6,430	14,885

Financial Instrument composition and maturity analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments.

31 December 2024	Weighted Average Effective Interest Rate %	Fixed Interest Rate ($000)	Floating Interest Rate ($000)	Non-Interest Bearing ($000)	Total ($000)
Financial Assets:					
Cash and cash equivalents		-	19,946	-	19,946
Restricted cash		-	346	-	346
Trade and other receivables		-	-	2,210	2,210
Equity investments at fair value		-	-	27	27
Total Financial Assets	1.82%	-	20,292	2,237	22,529
Financial Liabilities:					
Trade and other payables		-	-	11,817	11,817
Borrowings		9,884	-	-	9,884
Total Financial Liabilities	9.7%	9,884	-	11,817	21.701
Net Financial Assets		(9,884)	20,292	(9,580)	828

31 December 2023	Weighted Average Effective Interest Rate %	Fixed Interest Rate ($000)	Floating Interest Rate ($000)	Non-Interest Bearing ($000)	Total ($000)
Financial Assets:					
Cash and cash equivalents		-	46,180	-	46,180
Restricted cash		-	156	-	156
Trade and other receivables		-	-	2,771	2,771
Equity investments at fair value		-	-	21	21
Total Financial Assets	2.59%	-	46,336	2,792	49,128
Financial Liabilities:					
Trade and other payables		-	-	4,680	4,680
Borrowings		111	-	-	111
Total Financial Liabilities	8%	111	-	4,680	4,791
Net Financial Assets		(111)	46,336	(1,888)	44,337

The table below summarises the maturity profile of the Group's' financial liabilities according to their contractual maturities. The amounts disclosed are based on contractual undiscounted cash flows. As a result, these balances may not agree with the amounts disclosed in the statement of financial position:

	Less than 3 months ($000)	3 to 12 Months ($000)	1 to 5 years ($000)	Total ($000)
31 December 2024				
Trade and other payables	11,815			11,815
Borrowings	348	8,518	1,020	9,886
	12,163	8,518	1,020	21,701
31 December 2023				
Trade and other payables	4,225	455	-	4,680
Borrowings	45	48	18	111
	4,270	503	18	4,791

b) Financial Instruments Measured at Fair Value

The financial instruments recognised at fair value in the statement of financial position have been analysed and classified using a fair value hierarchy reflecting the significance of the inputs used in making the measurements. The fair value hierarchy consists of the following levels:

- Quoted prices in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 ($000)	Level 2 ($000)	Level 3 ($000)	Total ($000)
31 December 2024				
Financial Assets:				
Financial assets at fair value through profit or loss:				
Equity investments at fair value:				
- Listed investments	27	-	-	27
	21	-	-	21

31 December 2023

Financial Assets:				
Financial assets at fair value through profit or loss:				
Equity investments at fair value:				
- Listed investments	21	-	-	21
	21	-	-	21

Sensitivity Analysis – Interest rate risk

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk at balance date. The sensitivity analysis demonstrates the effect on the financial period results and equity which could result from a change in this risk.

As at balance date, the effect on loss and equity as a result of changes in the interest rate on financial assets, with all other variables remaining constant would be as follows:

	Year to 31 Dec 2024 ($000)	**Year to 31 Dec 2023 ($000)**
Change in loss – increase/(decrease):		
- Increase in interest rate by 2%	(405)	(927)
- Decrease in interest rate by 2%	405	927
Change in equity – increase/(decrease):		
- Increase in interest rate by 2%	405	927
- Decrease in interest rate by 2%	(405)	(927)

NOTE 24 CONTROLLED ENTITIES

The consolidated financial statements incorporate the following subsidiaries:

Controlled Entities	**Country of Incorporation**	**2024**	**2023**
Image Resources NL (Parent Company)	**Australia**		
Craton Resources Pty Ltd	Australia	100%	100%
Titon Resources Pty Ltd	Australia	100%	100%
Titan-DR Resources Pty Ltd	Australia	100%	100%
Titan-SR Resources Pty Ltd	Australia	100%	100%
MSU Technologies Pty Ltd	Australia	100%	-

Further details are provided in the Controlled Entity Disclosure Statement.

NOTE 25 OTHER ACCOUNTING POLICIES

Exploration and Evaluation Expenditure

Exploration and evaluation expenditure is accounted for differently as follows:

- Exploration and evaluation expenditure associated with exploration and evaluation activity including direct costs and an appropriate portion of related overhead expenditure is expensed to the Statement of Profit or Loss and other Comprehensive Income as incurred. The effect of this write-off is to decrease the profit incurred from continuing operations as disclosed in the Statement of Profit or Loss and other Comprehensive Income and to decrease the carrying values in the Statement of Financial Position. That the carrying value of mineral assets, as a result of the operation of this policy, is zero does not necessarily reflect the Board's view as to the market value of that asset.
- Exploration expenditure associated with the acquisition of tenement licences may be recognised as an exploration asset if it is considered that the expenditures incurred are expected to be recouped through successful development and exploitation of the area of interest. Additional exploration and evaluation expenditure incurred on these tenement licences acquired is also added to the value of the exploration asset.

Accounting for exploration and evaluation expenditure is assessed separately for each 'area of interest'. An 'area of interest' is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit.

Once a development decision is made, all past exploration and expenditure in respect of an area of interest that has been capitalised is transferred to mine properties where it is amortised over the life of the area of interest to which it relates on a unit of production basis. No amortisation is charged during the exploration and evaluation phase.

The application of the above accounting policy requires to make certain estimates and assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of reserves will be found. Any such estimates and assumptions may change as new information becomes available, which may require adjustments to the carrying value of assets. Capitalised exploration and evaluation expenditure is assessed for impairment when an indicator of impairment exists, and capitalised assets are written off where required.

Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Fair Value

Fair value is determined based on closing market prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models. The expression "fair value" – and derivatives thereof – wherever used in this report bears the meaning ascribed to that expression by the Australian Accounting Standards Board.

Impairment

At each reporting date, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the profit or loss.

De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires, or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled, or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

New Accounting Standards for Application in Future Years

There are a number of new Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group and have not been applied in preparing these financial statements. The Group does not plan to adopt these standards early.

These standards are not expected to have a material impact on the Group in the current or future period until mandatory adoption.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Basis of Preparation

The consolidated entity disclosure statement has been prepared in accordance with subsection 295(A) of the Corporations Act 2001. The entities list in the statement are Image Resources NL and all its consolidated entities in accordance with AASB 10 Consolidated Financial Statements.

Name of Entity	Type of entity	Place of Incorporation or Formation	Percentage of Issued Capital Held	Australian Tax Resident or Foreign Tax Resident	Place of Foreign Resident if Applicable
Image Resources NL	Body Corporate	Australia	N/A	Australia	N/A
Controlled Entities of Image Resources NL					
Craton Resources Pty Ltd	Body corporate	Australia	100%	Yes	N/A
Titon Resources Pty Ltd	Body corporate	Australia	100%	Yes	N/A
Titan-DR Resources Pty Ltd	Body corporate	Australia	100%	Yes	N/A
Titan-SR Resources Pty Ltd	Body corporate	Australia	100%	Yes	N/A
MSU Technologies Pty Ltd	Body corporate	Australia	100%	Yes	N/A

The directors of the Company declare that:

1. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 and:

   (a) comply with Accounting Standards and the Corporations Act 2001;

   (b) give a true and fair view of the financial position as at 31 December 2024 and performance for the year ended on that date of the Group;

2. this declaration has been made after receiving the declarations required to be made to the directors by the CEO and CFO in accordance with section 295A of the Corporations Act 2001 for the year ended 31 December 2024;

3. in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

4. in the directors' opinion, the Consolidated Entity Disclosure Statement is true and correct; and

5. the directors have included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

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

ROBERT BESLEY
CHAIR

PERTH
Dated this 28 March 2025

ELDERTON
AUDIT PTY LTD

Independent Audit Report to the members of Image Resources NL

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Image Resources NL (“the Company”) and its subsidiaries (“the Group”), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001.*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

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Provision for Rehabilitation
Refer to Note 13

Key Audit Matter	How our audit addressed the key audit matter
As at 31 December 2024, the Group has a provision of $57.2 million relating to the estimated cost of rehabilitation, decommissioning and restoration relating to areas disturbed during operation in Boonanarring and Atlas mines but not yet rehabilitated. The provision is based upon current cost estimates and has been determined on a discounted basis with reference to current legal requirements and technology. At each reporting date the rehabilitation liability is reviewed and re-measured in line with changes in observable assumptions, timing and the latest estimates of the costs to be incurred based on area of disturbance at reporting date. This area is a key audit matter as the determination of the restoration liability involves use of assumptions and significant management judgement.	Our audit work included, but was not restricted to, the following: • Obtaining an Independent expert valuation report and external underlying documentation for their determination of future required activities, their timing and associated cost estimations. • Assessing the competence, scope and objectivity of the Group's external experts used in determination of the provisions estimate. • Testing the accuracy of historical restoration and rehabilitation provisions by comparing actual expenditure. • Enquired management about delays in rehabilitation work and its impact on Group's obligations • For Atlas mine, we obtained estimation prepared by internal experts and assessed the competence and experience of the internal experts. We enquired about any review done by an external consultant and assessed reasonableness of key assumptions by comparing with available external data. • Assessing the planned timing of environmental restoration and rehabilitation provision through comparison to mine plans and reserves. • Analysed inflation rate and discount assumptions in the provision calculation with current market data and economic forecasts. • Evaluating the completeness of the provisions estimate to the Group's analysis of each operating location to identify where disturbance requires rehabilitation or demobilisation and our understanding of the Group's operations.

Deferred Exploration and Evaluation Costs
Refer to Note 10

Key Audit Matter	How our audit addressed the key audit matter
At 31 December 2024, the Group has significant exploration and evaluation expenditure of $46.2 million which has been capitalised. As the carrying value of exploration and evaluation expenditures represents a significant asset of the Group, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of this asset may exceed its recoverable amount. The Group capitalises exploration and evaluation expenditure in line with AASB 6 *Exploration for and Evaluation of Mineral Resources*. The assessment of each asset's	Our audit work included, but was not restricted to, the following: • We obtained evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditures by obtaining valid contracts giving the Group rights to explore, for a sample of capitalised exploration costs. • We enquired with management and reviewed budgets to ensure that substantive expenditure on further exploration for and evaluation of the mineral resources in the Group's area of interest were planned. • We enquired with management, reviewed announcements

Provision for Rehabilitation
Refer to Note 13

Key Audit Matter	How our audit addressed the key audit matter
future viability requires significant judgement. There is a risk that amounts are capitalised which no longer meet the recognition criteria of AASB 6.	made and reviewed minutes of directors' meetings to ensure that the company had not decided to discontinue activities in any of its areas of interest; and • We enquired with management to ensure that the Group had not decided to proceed with the development of a specific area of interest, yet the carrying amount of the exploration and evaluation asset was unlikely to be recovered in full from successful development or sale.

Impairment of PPE including Land and Mine Development Costs
Refer to Note 10

Key Audit Matter	How our audit addressed the key audit matter
As at 31 December 2024, the Group has property, plant and equipment including land and Atlas mine development costs amounting to $94.9 million. The assessment of the recoverable amount requires significant judgment, in particular relating to estimated cash flow projections and discount rates. Due to the level of judgment, market environment and significance to the Group's financial statements, this is considered to be a key audit matter.	Our audit work included, but was not restricted to, the following: • Reviewed the management's impairment assessment in accordance with AASB 136 Impairment of Assets. This included examining the assumptions underlying the projections and comparing them with historical performance and external market data. • We held discussions with management, reviewed board minutes and ASX announcements to understand future and use of existing land, plant and associated infrastructure. This helped us assess whether the Group had appropriately accounted for future development plans and the financial viability of these assets. • We reviewed an independent expert's report on residual value for Boonanarring wet concentrator plant and associate infrastructure. This provided an objective assessment of the fair value of the assets, which we considered in conjunction with management's impairment testing. • Ensured that mine development costs related to area over which Group has mining rights and estimated value in use is higher than carrying value. • Reviewed adequacy of the related disclosures in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2024 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 17 to 44 of the directors' report for the year ended 31 December 2024.

In our opinion, the Remuneration Report of Image Resources NL for the year ended 31 December 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit in accordance with Australian Auditing Standards.

Elderton Audit Pty Ltd.

Elderton Audit Pty Ltd

Sajjad Cheema
Director

28th March 2025