
Gingin South Infill Confirms High Grade Deposit

HIGHLIGHTS

- **Consistently high grade intersections confirmed by 100m spaced infill drilling.**
- **Best intersection of 10m at 18.0%HM from 18m at 2.5% HM cut-off, including 6m @ 25.4% HM (10% HM cut-off).**
- **Most of the 5.5km long deposit now drilled at 20m x 100m line spacing, allowing estimation of a Measured Resource once mineralogy determinations are complete.**

Introduction

In March 2011 Image completed infill drilling of its Gingin South deposit to 20m x 100m hole spacing over a strike length of 4.0km, as shown on Figure 1. All laboratory processing results have now been completed for this drilling and Image is preparing samples for mineralogical analysis. In July 2011 Image released an interim resource extension for the Gingin South deposit, resulting in a 240% increase in contained HM to 492,000t (ASX release 21 July 2011). The receipt of the new results and mineralogical data will allow the update of the Indicated part of this resource to Measured status. When compared to the previous drilling the new results confirm the high grade nature and extent of the deposit.

HM Grade Results

The best results are summarised in Table 1 and all intersections of 3m or greater thickness at a 2.5% HM cut-off are detailed in Table 2. The list of intersections shows the deposit to be quite robust with a maximum average slimes content of 12.5% and only 9 intersections averaging greater than 10% slimes. This suggests that slimes will not present a significant processing issue for this deposit.

Typical sections are shown in Figures 2 to 5 illustrating the high grade nature of the deposit. These sections also show that the mineralisation occurs on two levels, the western strand at ~ 58m RL and the eastern strand at ~70m RL. The eastern strand appears to merge with the western strand in the central area and then separate further north.

Table 1
Best Intersections using 10% HM cut-off

Hole Number	East	North	From (m)	To (m)	Interval (m)	HM (%)
GG609	399422	6521897	20.0	31.0	11.0	15.3
including			23.0	29.0	6.0	23.4
GG611	399383	6521900	17.0	29.0	12.0	13.4
including			22.0	29.0	7.0	18.9
GG612	399364	6521902	18.0	29.0	11.0	11.1
including			21.0	26.0	5.0	17.0
GG624	399145	6522096	25.0	32.0	7.0	10.9
including			27.0	30.0	3.0	18.2
GG625	399163	6522093	17.0	27	10	16.5
including			19.0	24.0	5.0	24.2
GG626	399182	6522092	17.0	26.0	9.0	10.9
including			19.0	23.0	4.0	17.2
GG633	399278	6522102	19.0	33.0	14.0	13.2
including			23.0	30.0	7.0	21.1
GG634	399260	6522103	17.0	28.0	11.0	16.6
including			21.0	27.0	6.0	25.4
GG635	399241	6522098	17.0	28.0	11.0	17.1
including			19.0	27.0	8.0	20.9
GG636	399219	6522103	17.0	27.0	10.0	14.3
including			18.0	25.0	7.0	17.7

Future Work

The next step in the assessment of the Gingin South deposit is to composite the mineral intersections for mineralogical analysis and then refine the geological model in preparation for a new resource estimate, upgrading the status of most of the deposit to the Measured category. Drilling is also scheduled to infill the Inferred section of the resource to at least 20m x 200m hole spacing to upgrade this section to Indicated status. This drilling will commence mid to late October when a drill rig becomes available.

The Gingin South deposit was one of the six resources included in the Scoping Study, the results of which were announced 25 August 2011 and is now part of the Feasibility Study. It was scheduled towards the end of the mine sequence for the Scoping Study, but in light of the high grade nature of the deposit its sequencing will be re-examined in the Feasibility Study to determine if earlier exploitation will improve project economics.

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

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

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

The information in this report is based on information compiled by Paul Leandri BAppSc who is a member of the Australasian Institute of Mining and Metallurgy. Paul Leandri is an employee of Image Resources NL. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Paul Leandri consents to the inclusion of this information in the form and context in which it appears in this report.

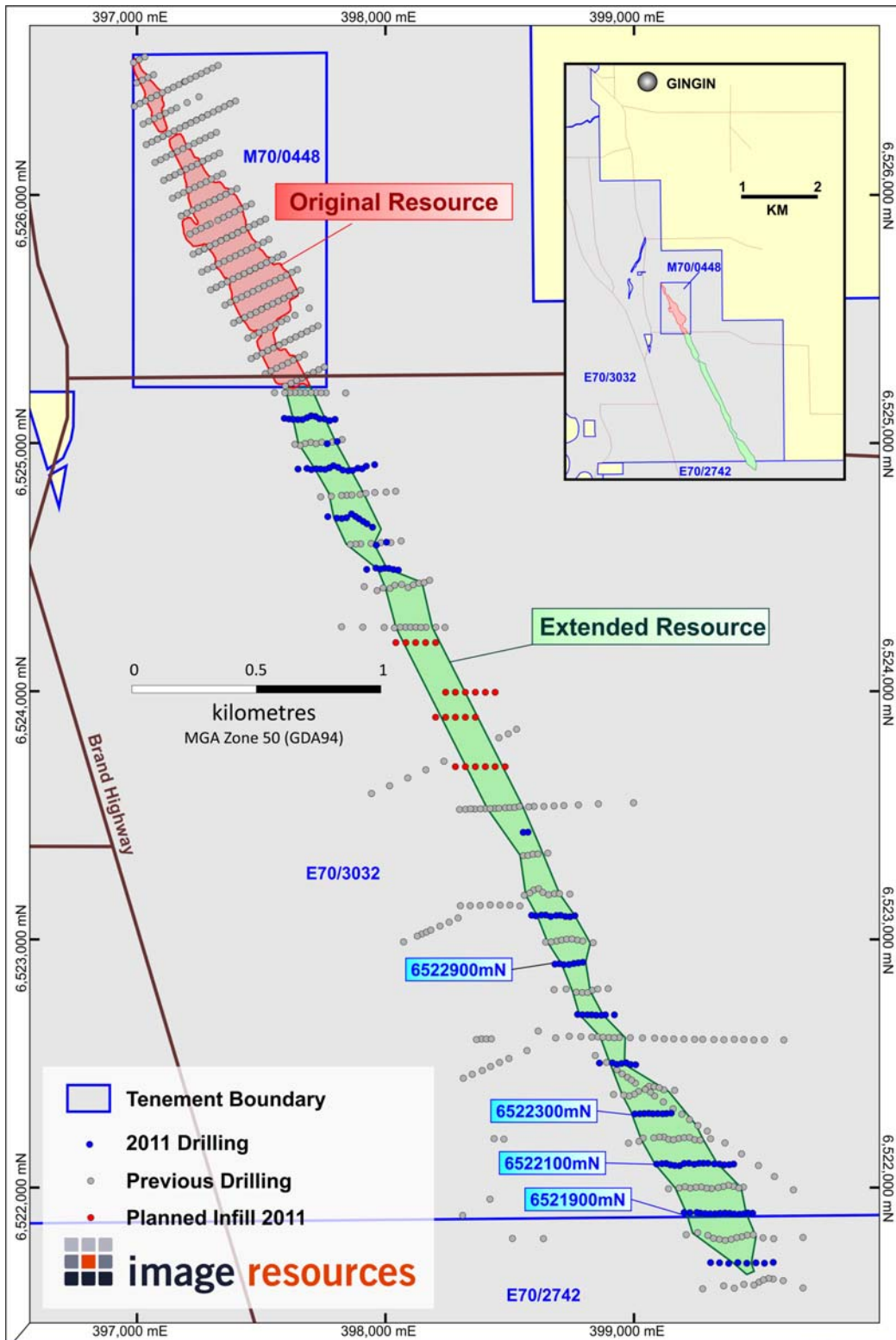


Figure 1
Gingin South Deposit Drill Hole and Section Location

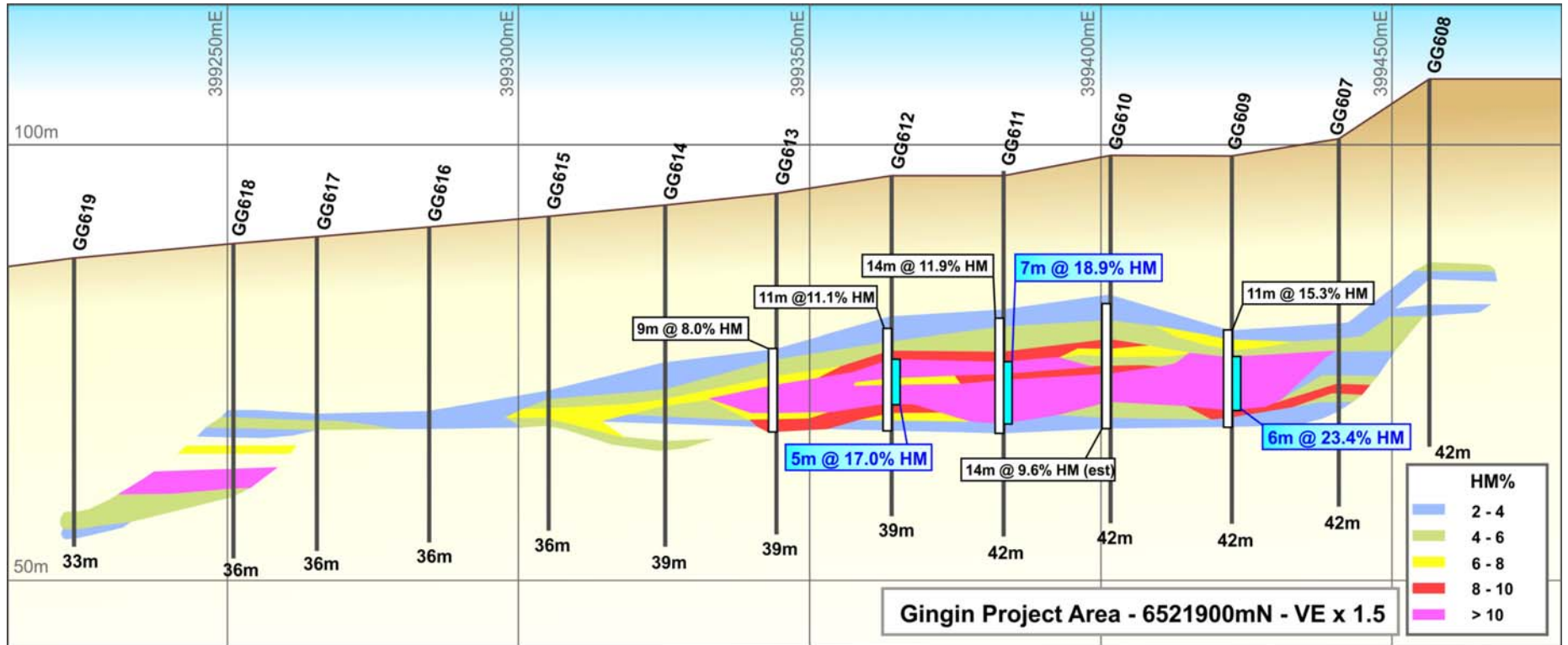


Figure 2
HM Cross-section line 6 521 900m N

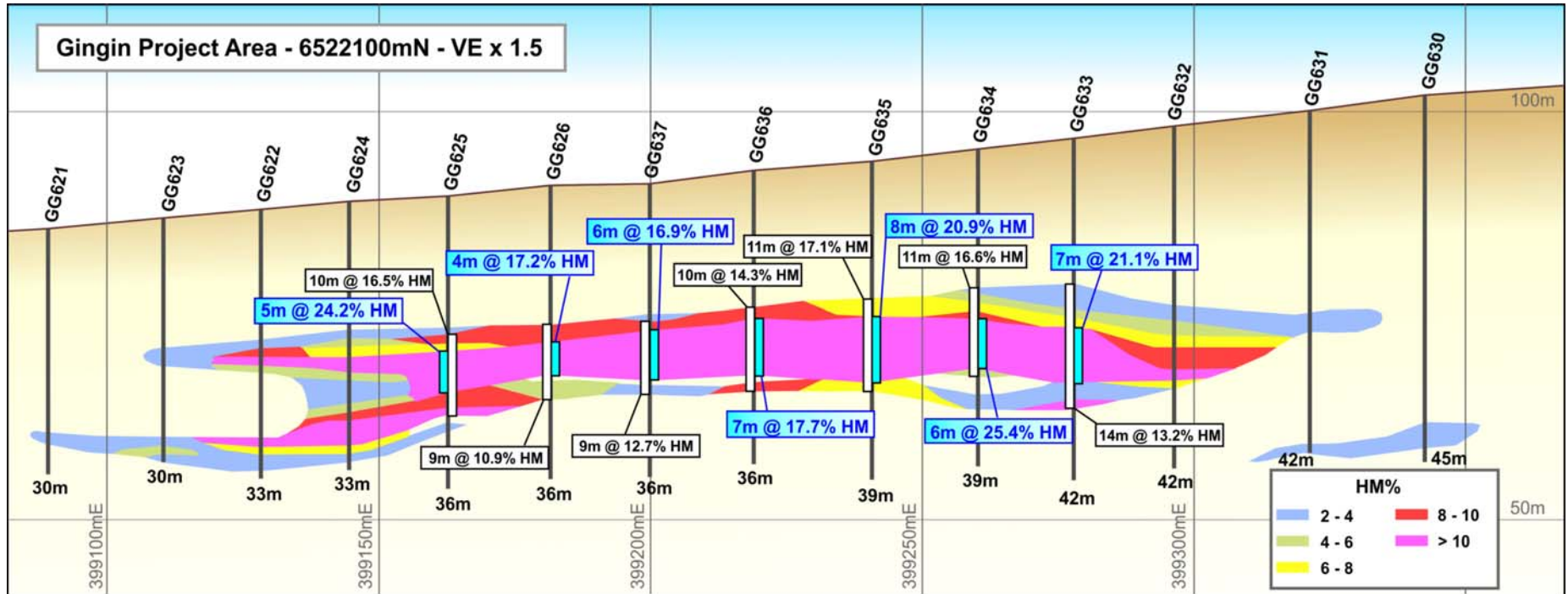


Figure 3
HM Cross-section line 6 522 100m N

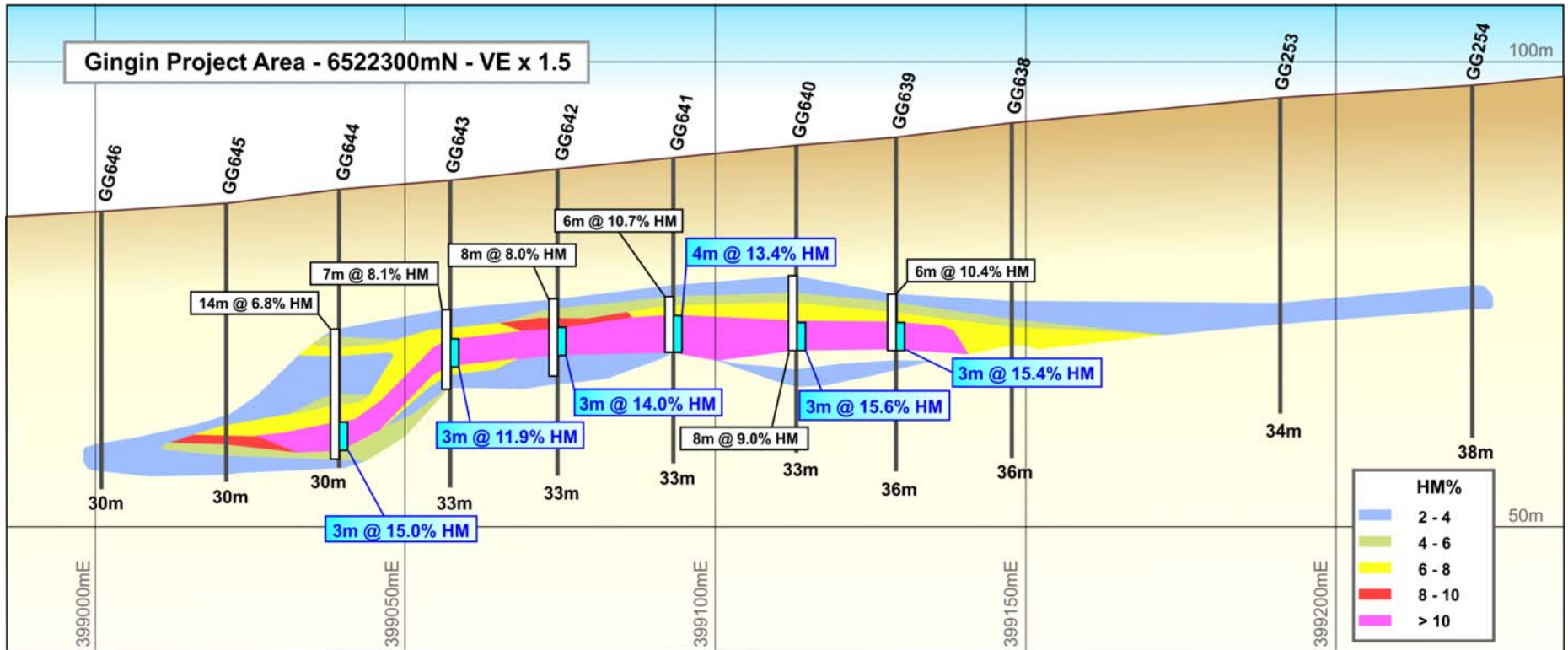


Figure 4
HM Cross-section line 6 522 300m N

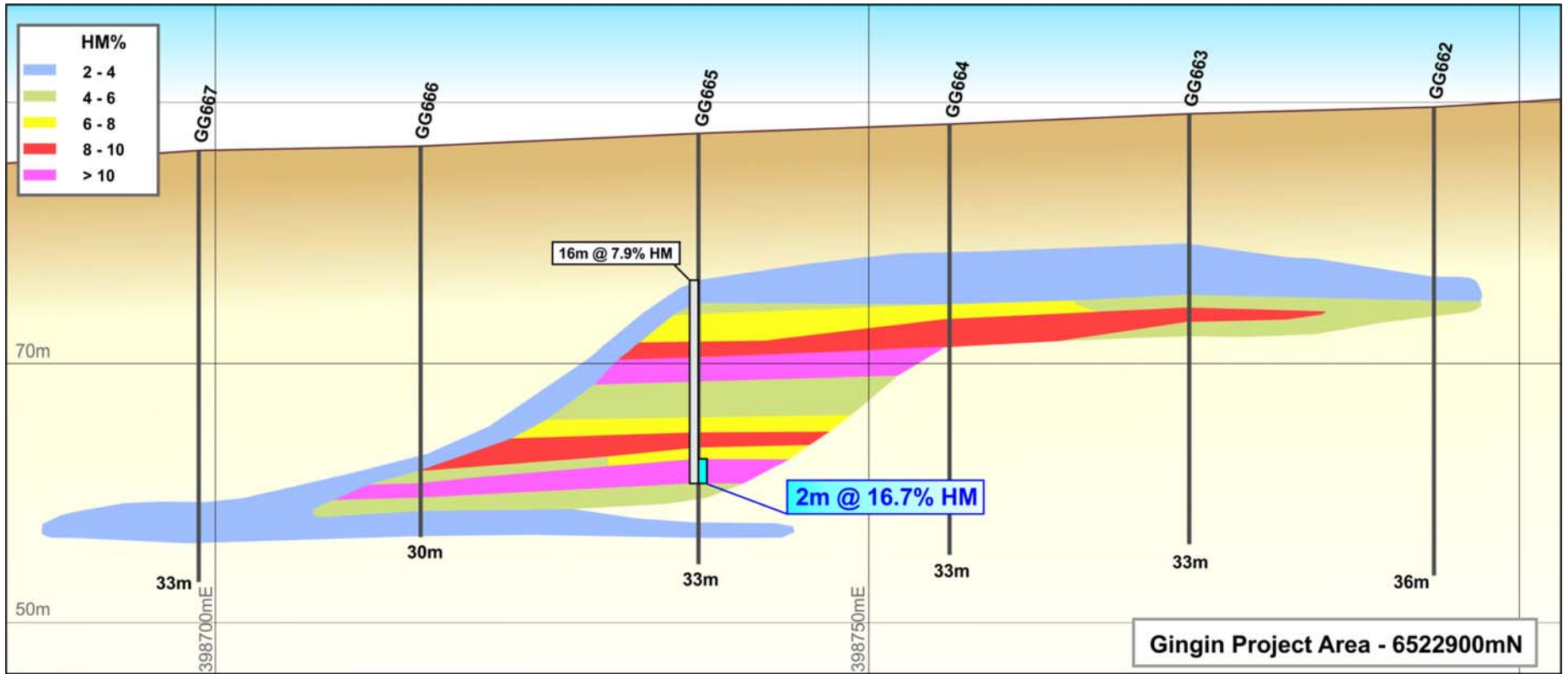


Figure 5
HM Cross-section line 6 522 900m N

Table 2
List of all intersections $\geq 3\text{m}$ thick at 2.5 % HM cut-off.

Hole ID	Easting	Northing	From (m)	To (m)	Interval (m)	HM (%)	Slimes (%)
GG601	399452	6521700	22.0	25.0	3.0	4.5	11.6
GG607	399441	6521899	21.0	30.0	9.0	4.5	4.8
GG609	399422	6521897	20.0	31.0	11.0	15.3	6.4
GG611	399383	6521900	17.0	29.0	12.0	13.4	8.2
GG612	399364	6521902	18.0	29.0	11.0	11.1	6.9
GG613	399344	6521901	18.0	27.0	9.0	8.0	3.5
GG614	399325	6521899	19.0	25.0	6.0	4.6	2.5
GG615	399305	6521899	21.0	24.0	3.0	5.5	5.6
GG618	399251	6521904	20.0	24.0	4.0	3.8	11.0
GG618	399251	6521904	26.0	29.0	3.0	11.1	6.1
GG619	399224	6521903	29.0	32.0	3.0	4.1	10.2
GG622	399128	6522101	16.0	20.0	4.0	6.8	7.3
GG623	399111	6522101	27.0	30.0	3.0	3.4	12.5
GG624	399145	6522096	16.0	22.0	6.0	7.7	7.3
GG624	399145	6522096	25.0	32.0	7.0	10.9	9.4
GG625	399163	6522093	17.0	27.0	10.0	16.5	9.7
GG626	399182	6522092	17.0	26.0	9.0	10.9	8.7
GG632	399296	6522102	24.0	32.0	8.0	8.4	3.7
GG633	399278	6522102	19.0	33.0	14.0	13.2	6.2
GG634	399260	6522103	17.0	28.0	11.0	16.6	6.8
GG635	399241	6522098	17.0	28.0	11.0	17.1	5.9
GG636	399219	6522103	17.0	27.0	10.0	14.3	6.4
GG637	399200	6522101	17.0	26.0	9.0	12.7	7.7
GG638	399148	6522304	20.0	24.0	4.0	6.1	2.3
GG639	399129	6522302	17.0	23.0	6.0	10.4	2.2
GG640	399113	6522301	14.0	22.0	8.0	9.0	2.0
GG641	399093	6522303	15.0	21.0	6.0	10.7	2.2
GG642	399075	6522302	14.0	22.0	8.0	8.0	3.3
GG643	399057	6522304	15.0	22.0	7.0	8.1	3.7
GG644	399039	6522303	15.0	29.0	14	6.8	6.1
GG645	399021	6522301	23.0	28.0	5.0	5.8	7.3
GG648	398911	6522507	22.0	25.0	3.0	4.9	9.0
GG649	398929	6522501	22.0	27.0	5.0	6.7	8.5
GG650	398948	6522504	14.0	24.0	10.0	6.6	10.6
GG656	398846	6522699	10.0	23.0	13.0	6.6	6.1
GG658	398828	6522700	18.0	26.0	8.0	6.1	7.7
GG659	398810	6522700	22.0	26.0	4.0	4.0	9.1
GG662	398793	6522912	14.0	17.0	3.0	3.5	3.4
GG663	398775	6522910	10.0	17.0	7.0	4.7	2.4
GG664	398756	6522907	10.0	17.0	7.0	5.2	2.4
GG665	398737	6522903	12.0	28.0	16.0	7.9	5.4
GG666	398716	6522902	25.0	29.0	4.0	6.5	5.9
GG669	398761	6523100	22.0	25.0	3.0	3.6	3.5

Hole ID	Easting	Northing	From (m)	To (m)	Interval (m)	HM (%)	Slimes (%)
GG670	398741	6523096	21.0	25.0	4.0	5.7	4.8
GG672	398703	6523102	21.0	25.0	4.0	4.3	6.6
GG673	398686	6523101	20.0	25.0	5.0	5.3	9.4
GG674	398663	6523097	19.0	24.0	5.0	5.1	10.1
GG675	398643	6523103	19.0	31.0	12.0	6.3	10.5
GG676	398626	6523103	26.0	31.0	5.0	6.2	7.9
GG679	398572	6523437	16.0	19.0	3.0	3.5	6.9
GG680	398553	6523436	14.0	17.0	3.0	4.1	11.1
GG683	397753	6525102	6.0	11.0	5.0	4.5	5.4
GG684	397733	6525102	4.0	10.0	6.0	4.2	4.3
GG685	397717	6525111	3.0	11.0	8.0	4.3	5.1
GG686	397699	6525114	3.0	9.0	6.0	3.8	3.5
GG687	397682	6525107	3.0	9.0	6.0	4.2	3.0
GG687	397682	6525107	11.0	16.0	5.0	14.7	4.5
GG689	397646	6525099	16.0	19.0	3.0	3.8	8.0
GG699	397789	6524913	3.0	10.0	7.0	4.2	4.0
GG700	397773	6524905	5.0	9.0	4.0	3.4	4.2
GG700	397773	6524905	13.0	17.0	4.0	11.3	9.4
GG701	397756	6524898	18.0	22.0	4.0	6.7	4.6
GG702	397737	6524900	18.0	22.0	4.0	3.7	6.6
GG707	397924	6524679	3.0	9.0	6.0	5.0	8.3
GG708	397946	6524665	2.0	9.0	7.0	4.6	10.7
GG709	397909	6524688	2.0	10.0	8.0	4.5	6.9
GG710	397892	6524699	1.0	9.0	8.0	4.1	6.9
GG711	397877	6524708	3.0	13.0	10.0	8.4	8.6
GG712	397862	6524718	2.0	9.0	7.0	4.7	5.6
GG712	397862	6524718	14.0	17.0	3.0	16.8	9.2
GG713	397842	6524703	16.0	19.0	3.0	5.7	4.4

Notes:

1. Slimes = fraction < 63um
2. HM determined by TBE separation at 2.96 SG and expressed as % of total (in-ground) sample.