ASX:IMA

IMAGE RESOURCES

ASX ANNOUNCEMENT | 16 March 2026

CY2025 Accounting Adjustments

Image Resources NL (ASX:IMA) **("Image" or "the Company")** advises an exceptional item and deferred tax asset write off are expected to be recognised in the Company's financial results for the year ended 31 December 2025 (CY2025 results).

These items relate to impairment of the carrying value related to mineral sands assets at Atlas and Boonanarring, plus a write-off of the value of Deferred tax assets.

The CY2025 results remain subject to audit by the Company's external auditor and final review and approval of the Company's Board.

Mineral Sands Assets

Mineral sands commodities price weakness and to a lesser extent a strengthening of the AUD against the USD, and their impact on forecast cashflows from Atlas operations, combined with a flow-on impact to future development opportunities, has resulted in a review of the carrying value of the Company's assets and in particular with our current Atlas operation and residual values of equipment from our previous mining operation at Boonanarring.

As a result of this review, Image expects to record an exceptional item being a non-cash impairment of approximately A$53 million.

Deferred Tax Assets

As with mineral sand assets above, commodities price weakness and foreign exchange rates are impacting forecast profitability at Atlas and increasing uncertainty as to the timing and potential profitability of the Company's future mineral sands project developments.

Image expects to record an additional adjustment as a non-cash write-off of approximately A$8 million related to deferred tax assets. This accounting adjustment does not have any tax ramification such that the Company may still offset future profits against the prior losses.

CY2025 Financial Results

The Company's underlying mineral sands EBITDA related to the Atlas operation, before charges for rehabilitation and exceptional items, is expected to be approximately $25 million.

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This announcement is approved for release by the Board of Directors.

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ABOUT IMAGE RESOURCES

Image Resources NL is a mineral sands focused miner and supplier of critical minerals titanium dioxide, zircon and monazite containing rare earth elements for sale into global markets. The Company has a demonstrated track record of successful project development and operations at its Boonanarring project located 80km north of Perth in the infrastructure rich North Perth Basin.

Boonanarring was a high-grade, high-zircon, low capital cost mine development that was constructed on-time and on-budget in CY2018 and then ramped up to name plate capacity in the second month of operation and went on to operate profitably through Q3 2023. Debt for the project was paid off early in February 2021 and the Company paid dividends to shareholders in April 2021 and April 2022.

Image completed construction of the Atlas project in January 2025 and finalised commissioning, which included first HMC production, in February 2025. Operations officially commenced 1 April 2025 and production ramped up to nameplate capacity in June 2025. Successful operations continue in CY2026.

Chapter 1 operating strategy for Image involved the transition from advanced explorer to active miner in CY2018, operating a single mine and producing a single product (HMC) sold into a single jurisdiction (China). Chapter 2 strategy (post Atlas) will focus on the Company's growth and sustainability ambitions which includes the operation of multiple mines in parallel, producing multiple products (separating HMC), and selling into a global market.

The Company is also investigating a significant value adding step of upgrading its ilmenite to synthetic rutile using a lower GHG emissions, innovative process which Image has provisionally patented, and aims to demonstrate the technical and economic feasibility of this novel process in CY2026.

FORWARD LOOKING STATEMENTS

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, Mineral Resources, Ore Reserves, or potential growth of Image Resources, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.