INTERIM FINANCIAL REPORT

for the half-year ended 30 June 2026

CONTENTS

Your directors present this interim financial report, together with the financial statements of the Group, being Image Resources NL and its controlled entities, for the half-year ended 30 June 2026.

DIRECTORS

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

Mr Winston Lee
Mr Peter Thomas
Ms Ran Xu
Mr Patrick Mutz (ceased being a director on 31 August 2026)
Mr Aaron Chong Veoy Soo (ceased being a director on 7 September 2026)

OPERATING AND FINANCIAL REVIEW

Operating Result

The Group's loss from continuing operations for the half-year ended 30 June 2026 was $11,312,411 (2025: $8,376,739) which included asset impairments, predominately related to the Company's Atlas Mineral Sand project, of $7,900,000 (2025:$Nil)

Review of Operations

During the reporting period the Group continued production of heavy mineral sands at its 100% owned Atlas mineral sands project. Atlas was operationally cash flow positive throughout the reporting period despite mineral sands commodity prices continuing to soften during the period. Heavy Mineral Concentrate (**HMC**) production and sales, as well as C1 cash costs and AISC per tonne of HMC produced all compared favourably with the full year's market guidance. However, due to the forecast continuation of lower commodity prices, lower grades and increases in cost, largely related to the increased cost of diesel, over the remaining life of mine for Atlas, Image was required to impair the assets related to this project.

Through to March 2026 the Group continued to repay the Prepayment Facilities (**PPF**) debt through the delivery of notionally 25% of HMC sales from Atlas at no cost. However, in response to the continued softening of mineral sands commodity prices, and as a working capital management action, in Q4 of CY2025 the maturity date of the PPFs were extended to 30 April 2026, and further extended in March 2026 to 15 December 2026, in respect to the Billion Sunny Investment Ltd (**Billion Sunny**) PPF, and 31 December 2026, in respect to Shantou Natfort Zirconium and Titanium Co.,Ltd (**Natfort**) PPF , with the parties agreeing a repayment holiday for the period from early March 2026 through 31 August 2026. After the Balance Date the Company re-negotiated terms of the Billion Sunny PPF, with the repayment holiday and maturity date extended to 30 June 2027. Image is currently in negotiations with the provider of its 2nd PPF, Natfort, to extend the repayment and final maturity date of its facility on the same terms agreed with Billion Sunny, however at the time of this report the terms remain unchanged, with repayments due to recommence in September, and the final maturity date of the facility 31 December 2026.

During the reporting period the Group continued its focus on advancing studies for the future development of a number of its mineral sands projects, with focus shifting from the Yandanooka project to the nearby Durack project in response to more a certain land access pathway for Durack.

The Group expanded its focus on the Company's 100%-owned Erayinia King gold project (**Erayinia**). In January 2026 Image announced a maiden Mineral Resources estimate (**MRE**) for Erayinia, and followed up with a strategy review, preliminary open cut mine evaluation, and preliminary metallurgical results. The Company also reallocated funding for a drilling program commenced in Q2 CY2026, which aimed at elevating the value of the project for potential sale or development.

In June 2026, in response to further weakening of mineral sands commodity prices, Image commenced a strategic review of its operations, with a focus on cost reduction and monetisation of its portfolio of assets.

Financial Review

The Group finished the half-year ended 30 June 2026 with approximately $12,984,147 in cash and cash equivalents (2025: $10,666,253). During the reporting period Image repaid $4,188,300 of the HMC Prepayment Facilities, with $12,735,615 of the facility outstanding, but not due, at 30 June 2026. (30 June 2025: $28,077,740).

No dividends were declared or paid during the half-year (2025: Nil).

Underlying EBITDA

Underlying EBITDA, defined as earnings before interest, tax, depreciation and amortisation, and other expenses is used as a key measure of the Group's financial performance. The reconciliation of the underlying EBITDA to the financial metrics reported in the 1H 2026 financial statements under Australian Accounting standards is presented below.

	6 months to 30 June 2026 ($,000)	6 months to 30 June 2025 ($,000)
Operating sales revenue	51,011	22,054
Costs of sales excluding depreciation and amortisation	(39,404)	(14,442)
Underlying EBITDA	**11,607**	**7,612**
Care and maintenance - discontinued operations	(987)	(1,184)
Depreciation and amortisation	(8,328)	(8,606)
Exploration, corporate and other	(5,766)	(8,125)
Impairment – property plant and equipment	(7,900)	-
Foreign currency gain	1,798	1,258
Finance costs (net)	(2,068)	(2,834)
Change in fair value of cashflow hedges	311	-
Loss before tax	**(11,333)**	**(11,879)**
Income tax expense	-	3,502
Net loss after tax	**(11,333)**	**(8,377)**

Corporate

During the half-year, Image's Chief Financial Officer and joint Company Secretary, Mr John McEvoy, announced his pending retirement on 3 July 2026. In order to facilitate an orderly handover, on 2 June 2026, Image engaged Mr David Lim, an experienced mining finance executive, through The CFO Centre, to assist the company while it continued its search for a permanent replacement for Mr McEvoy.

The sale of two parcels of land, excess to Image's requirements, was completed during the half-year, with net receipts of $6,863,030.

All resolutions put to shareholders at Image's Annual General Meeting held on 28 May 2026 were passed on a poll, including a resolution for an additional 10% in placement capacity under ASX Listing Rule 7.1A.

To assist Image manage its working capital requirements, the Company successfully negotiated an extension to the final maturity date of the PPFs held with Shantou, and Billion Sunny, from 30 April 2026 to 15 December and 31 December 2026 respectively, as well as negotiating a facility repayment holiday from 1 March 2026 to 31 August 2026. After the reporting date, Image negotiated a further extension to the final maturity date of the Billion Sunny PPF to 30 June 2027, with negotiations to extend the Natfort PPF continuing.

Argonaut Corporate Finance was engaged by Image during the half-year to assist in assessing opportunities to unlock the value of the Erayinia King Gold Project (**Erayinia**), with the Company ultimately deciding to continue to advance the project through additional drilling and studies. After the end of the reporting period Image announced that it was undertaking a strategic review of its asset portfolio, which will include a review of the drilling results from the drilling campaign undertaken at Erayinia in June and July 2026, and ultimately a decision on how to maximise its value, through either development or sale of the project.

Atlas Mineral Sands Project (Atlas)

The 100%-owned Atlas mineral sands project is located 170km north of Perth in Western Australia. Atlas was declared operational as of 1 April 2025 and has been operating at nameplate capacity since 1 July 2025.

Key production highlights for Atlas during 1H CY2026 include total ore processing of 1.29 million tonnes at 11.8% total heavy minerals and production of 128K tonnes of heavy mineral concentrate **(HMC)**, 16% above forecast. Total HMC sales for the half-year were 2% higher than forecast at 127K tonnes. Both HMC production and sales were greater than 50% of the mid-point of the market guidance ranges, and both C1 cash costs and AISC were at the lower end of guidance ranges.

The Atlas project is a small high-grade, shallow mineral sands deposit. Remaining Ore Reserves are forecast to be depleted in the second quarter of the 2027 calendar year, however, due to softening commodity pricing and increased cost base, Image continues to monitor the economics of Atlas' continued operation.

During the half-year Image has been assessing opportunities to extend the mine life at Atlas through the potential for mining at Atlas North, and the Company's nearby Hyperion and Helene deposits. However, due to the depressed mineral sands commodity market, assessment of the nearby Hyperion and Helene deposits has been curtailed, and the economics and permitting hurdles for Atlas North means that it is unlikely to be developed unless the economics improve prior to the Reserves as Atlas being depleted in the first half of 2027.

The Company continues to assess opportunities for the development of its next mineral sands project following the completion of Atlas. During the half-year focus shifted from the Yandanooka mineral sands project to the Durack mineral sands project, both located on private farmland, based on the likelihood of earlier access for mining at Durack.

Yandanooka Mineral Sands Project (Yandanooka)

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. Yandanooka is located on private farmland and is considered to have a shorter development timeline, from the standpoint of lower environmental and heritage sensitivities, than the Company's Durack mineral sands project.

Following the publication of a positive PFS in Q2 CY2024, the Company commenced upgrading the study to a BFS using the same development methodology applied to the Company's successful Boonanarring project. However, Q4 CY2025 focus was shifted to the Durack project due to the likelihood of the Company gaining earlier access to the Durack project site. The development of Yandanooka is subject to a positive BFS, securing a land access agreement, grant of a Mining Lease, and project funding.

Durack Mineral Sands Project (Durack)

The 100%-owned Durack project is located approximately 280 km north of Perth in the North Perth Basin (20 km south of Yandanooka). Like Yandanooka, Durack is located on private farmland.

In Q4 CY2025, project development efforts were shifted to Durack which included a drilling program aimed at upgrading the project's Mineral Resource Estimate (**MRE**), and included the collection of samples for metallurgical test work required to advance a Preliminary Feasibility Study (**PFS**). The drilling program was completed in January 2026, and by the end of the reporting period a land access agreement for Durack was well-advanced with the primary landowner, with a draft agreement exchanged with the second landowner. Additionally, a mining lease application was submitted over the project area, and the PFS was advanced to the final stages, but has been deferred into the second half of the calendar year to accommodate additional optimisation steps, and consider the economic impact of an idle processing equipment identified during the half-year as being available for acquisition.

The development of Durack is subject to a positive feasibility study, finalisation of a land access agreements, grant of a Mining Lease, and project funding.

Erayinia King Gold Project (Erayinia)

The 100%-owned Erayinia King gold project is located 150 km southeast of Kalgoorlie in Western Australia. And is situated on two contiguous prospecting tenements which are within the Erayinia exploration tenement, and adjacent to the Madoonia Downs exploration tenement to the north. Erayinia is subject to a 2% net smelter royalty.

Following the increase of the gold price during 2H CY2025 and the publication of a maiden MRE for Erayinia in January 2026, a decision was made to review the strategy and options available to unlock the value of the Company's gold tenements. This strategy included potential divestiture of the project through a process undertaken by Argonaut Corporate Finance.

During the half-year Image continued exploration activities at Erayinia, and committed to a drilling program aimed at upgrading the current Inferred Mineral Resource Estimate, to measured/indicated categories, and the collection of metallurgical and geotechnical samples to enable the Company to better understand the economics of the project. Image commenced drilling at Erayinia in April 2026, with the drilling program completed early in the September quarter.

Bidaminna Mineral Sands Project (Bidaminna)

In June 2023 Image released a PFS on Bidaminna. The PFS was based on a Maiden Ore Reserve of 123Mt at 1.8% HM, with 4% slimes, 4% oversize, 93% Valuable Heavy Minerals (**VHM**) and 85% of the HM as high-quality ilmenite and leucoxene, suitable as synthetic rutile (**SR**) feedstock.

Key highlights of the 2023 PFS include a pre-tax NPV_8 of A$192 million, pre-tax IRR_8 of 28%, project EBITDA of A$379 million, over a 10.5-year mine life and a 3.8 year capital payback period. Project revenue in the Bidaminna PFS was based on the simple business model of selling a HMC product, and therefore excluding any potential value-added from mineral separation and upgrading of ilmenite to SR.

Further work to upgrade the PFS to a BFS was curtailed in CY2024 to focus on the Group's mineral sands development projects that have likely shorter development timelines due to shorter environmental permitting timeframes than expected for Bidaminna.

Boonanarring Mine (discontinued operation)

No material activities were undertaken at the Boonanarring mine site, which ceased operations in August 2023.

The Company is planning to trial the use of a conveyor system during mine rehabilitation operations in order to assess its cost effectiveness. In order to undertake these trials Image acquired a pre-owned portable conveyor system which requires refurbishing prior to deployment.

Synthetic Rutile Processing Patent Application

In Q4 CY2025 the Group filed a patent application for its innovative synthetic rutile (**SR**) pyrometallurgical process which uses hydrogen in the conversion of ilmenite to high-grade SR. The patent application was under review throughout the reporting period. Initial investigations identified Ilmenite from the Group's Yandanooka, Durack, Bidaminna, McCalls and Mindarra Springs as high-quality SR feedstock and could benefit from this innovative SR process.

In July 2026, after the Balance Date, Image was advised by the Australian Patent Office that its patent application had been accepted, with the patent currently in an "acceptance notice" period which ends on 6 November 2026.

In CY2025 the Group applied for a 1:1 funding grant from the WA Investment Attraction Fund (**IAF**) - New Energy Industries (Round 2), for the construction of a SR demonstration plant for the Group's SR process technology. If the grant application is successful, and subject to funding, Image plans to construct a demonstration plant at the former Boonanarring mine site. The award of grants from Round 2 were still pending as at 30 June 2026. Refer to the material events after the reporting period noted below.

MATERIAL EVENTS AFTER THE REPORTING PERIOD

In July 2026 the Australian Patent Office accepted a patent application by Image for an improved synthetic Rutile process, with the patent currently in the "acceptance notice" period, which ends on 6 November 2026. If successful, a patent is scheduled for grant in November 2026.

On 3 July 2026 Mr John McEvoy retired from his role as Chief Financial Officer and Company Secretary of Image, with Mr David Lim, engaged by Image through The CFO Centre, a provider of fractional chief financial officers, appointed Interim CFO on 2 July 2026 while the Company continued its search for a permanent replacement for Mr McEvoy.

In August 2026, Billion Sunny, the provider of a US$ denominated Prepayment Financing Facility, agreed to extend the final maturity date of the facility from December 2026, to 30 June 2027. In addition to extending the term of the loan, Billion Sunny also agreed that no loan repayments would be required the final maturity date. Interest on the outstanding loan will continue to accrue at 10%p.a., compounding, and is payable on the final maturity date along with any balance outstanding.

On 20 August 2026, Image announced that it was undertaking a cost optimisation program across the Group's operations including a review of corporate overheads, operating costs, contractor and consultancy arrangements and capital commitments. In conjunction with the cost review program, Image commenced a strategic review of the Company's asset portfolio, in order to maximise shareholder value, as the board considered that the value of its asset portfolio was not adequately reflected in the Company's share price.

On 31 August 2026, Image's Managing Director and Chief Executive Officer, Mr Patrick Mutz, stepped down from his position as CEO, and retired from his board position with Image, with Mr Winston Lee, Image's chair transitioning from a non-executive to executive chair role with the Company while Image undertakes the recruitment of a new CEO. Mr Aaron Chong Veoy Soo retired from his role as a non-executive director of Image on 7 September 2026 for family and personal reasons.

Other than the events above there have been no material significant matters or circumstances that have arisen after the end of the reporting period which have had, or are likely to have, a material impact on the operations of the Group or the financial statements.

FORWARD-LOOKING STATEMENTS

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

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

INDEPENDENCE DECLARATION BY AUDITOR

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 8 for the half-year ended 30 June 2026.

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

Signed for and on behalf of the board of directors

Mr. Winston Lee
Chair
11 September 2026

IMAGE RESOURCES

ELDERTON
AUDIT PTY LTD

Auditor's Independence Declaration

To those charged with the governance of Image Resources NL

As auditor for the review of Image Resources NL for the half-year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

(i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

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

Elderton Audit Pty Ltd.

Elderton Audit Pty Ltd

Sajjad Cheema
Director

11 September 2026
Perth

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 30 JUNE 2026

	Note	6 months to 30 June 2026 ($,000)	6 months to 30 June 2025 ($,000)
Continuing operations			
Sales revenue		51,011	22,054
Cost of sales	3	(39,081)	(23,048)
Gross profit / (loss)		**11,930**	**(994)**
Government royalties		(2,252)	(1,023)
Shipping and other selling costs		(6,399)	(1,600)
Care and maintenance – discontinued operations		(987)	(1,184)
Corporate expenses		(3,620)	(4,651)
Exploration and evaluation expenses		(2,066)	(860)
Impairment – property, plant and equipment		(7,900)	-
Other income		251	9
Net foreign exchange gain		1,798	1,258
Operating loss		**(9,245)**	**(9,045)**
Finance income		10	241
Financing costs	4	(2,078)	(3,075)
Loss before tax		**(11,313)**	**(11,879)**
Income tax benefit		-	3,502
Loss for the year from continuing operations		**(11,313)**	**(8,377)**
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		(20)	3
Other comprehensive (loss)/gain for the period, net of tax		(20)	3
Total comprehensive loss for the period, net of tax		(11,333)	(8,374)
Net loss attributable to owners of Image Resources NL		(11,333)	(8,374)
Total comprehensive loss attributable to owners of Image Resources NL		(11,333)	(8,374)
Earnings per share		**Cents**	**Cents**
Basic loss per share (cents per share)		(1.02)	(0.75)
Diluted loss per share (cents per share)		(0.98)	(0.73)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	30 June 2026 ($,000)	31 December 2025 ($,000)
Current Assets			
Cash and cash equivalents		12,984	7,687
Trade and other receivables	5	1,456	1,522
Inventory	6	10,978	9,655
Other financial assets		331	-
		25,749	18,864
Non-current assets classified as held for sale		351	7,307
Total Current Assets		**26,100**	**26,171**
Non-Current Assets			
Property, plant and equipment	7	25,148	40,200
Right of use assets	8	2,078	2,755
Exploration and evaluation assets	9	50,118	48,008
Other financial assets		25	36
Total Non-Current Assets		**77,369**	**90,999**
TOTAL ASSETS		**103,469**	**117,170**
Current Liabilities			
Trade and other payables		17,597	16,223
Provisions		1,481	1,521
Lease liabilities	10	1,414	1,417
Borrowings	11	12,895	17,146
Total Current Liabilities		**33,387**	**36,307**
Non-Current Liabilities			
Provisions		65,701	64,797
Lease liabilities		798	1,439
Total Non-Current Liabilities		**66,499**	**66,236**
TOTAL LIABILITIES		**99,886**	**102,543**
NET ASSETS		**3,583**	**14,627**
Equity			
Issued capital	12	122,410	121,971
Reserves	12	18,785	19,317
Accumulated losses		(137,612)	(126,661)
TOTAL EQUITY		**3,583**	**14,627**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 30 JUNE 2026

	Issued Capital ($,000)	Profit Reserve Account ($,000)	Other Reserves ($,000)	Accum. Losses ($,000)	Total ($,000)
Balance as at 1 January 2025	**123,235**	**18,682**	**(188)**	**(43,649)**	**98,080**
Operating profit for the period	-	-	-	(8,377)	(8,377)
Other comprehensive income	-	-	3	-	3
Other comprehensive income – tax effect	-	-	(3)	-	(3)
Total comprehensive profit	-	-	-	(8,377)	(8,377)
Transactions with owners in their capacity as owners					
Performance rights issued during the period	-	-	797	-	797
Shares cancelled during the period	(136)	-	-	-	(136)
Total transactions with owners *in their capacity as owners*	(136)	-	797	-	661
Balance as at 30 June 2025	**123,099**	**18,682**	**609**	**(52,026)**	**90,364**
Balance as at 1 January 2026	**121,971**	**18,682**	**635**	**(126,661)**	**14,627**
Operating loss for the period	-	-	-	(11,313)	(11,313)
Other comprehensive income	-	-	(20)	-	(20)
Other comprehensive income – tax affect	-	-	-	-	-
Total comprehensive profit	-	-	(20)	(11,313)	(11,333)
Transactions with owners in their capacity as owners					
Performance rights cancelled	-	-	(362)	362	-
Shares issued – performance rights conversion	439	-	(439)	-	-
Share based payment expense	-	-	289	-	289
Total transactions with owners *in their capacity as owners*	439	-	(512)	362	289
Balance as at 30 June 2026	**122,410**	**18,682**	**103**	**(137,612)**	**3,583**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 30 JUNE 2026

	6 months to 30 June 2026 ($,000)	6 months to 30 June 2025 ($,000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	50,017	18,639
Payments to suppliers and contractors	(46,629)	(16,608)
Other income	36	53
Interest received	4	254
Interest paid	(496)	(133)
Net cashflows from operating activities	**2,932**	**2,205**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(836)	(33,829)
Payments for exploration and evaluation	(3,878)	(973)
Proceeds from disposal of property, plant & equipment	6,863	7
Net cashflows from / (used in) investing activities	**2,149**	**(34,795)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	281	24,095
Repayment of borrowings	(1,257)	(594)
Net cashflows (used in) / from financing activities	**(976)**	**23,501**
Net increase / (decrease) in cash held	**4,105**	**(9,089)**
Cash at the beginning of the period	7,687	19,946
Effect of exchange fluctuations on cash held	1,192	(191)
Cash at the end of the period	**12,984**	**10,666**

The accompanying notes form part of these financial statements.

NOTE 1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of Preparation

These general-purpose financial statements for the half-year interim reporting period ended 30 June 2026 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard 134: *Interim Financial Reporting*.

The consolidated financial statements of the Group, as at and for the half-year ended 30 June 2026, comprise Image Resources NL and its controlled entities. These financial statements were approved by the board of directors on the date of the Directors' Declaration.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the Group. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year. It is therefore recommended that this interim financial report be read in conjunction with the annual financial statements for the year ended 31 December 2025, together with any public announcements made by Image during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

Going Concern

The financial statements for the half-year ending 30 June 2026 have been prepared on a going concern basis, which assumes that the Group will be able to realise its assets and discharge its liabilities in the normal course of business. However, there is material uncertainty regarding the Group's ability to continue as a going concern as a result of, among other things, falling revenues generated by the Atlas Mineral Sands Project, increasing costs, which are predominantly the result of increasing diesel prices, and the pending maturity of the Company's two Prepayment Facilities which are due for repayment during the half-year to 31 December 2026 (refer Note 11).Also, refer to Note 14, Material Events After The Balance Date, for details regarding the renegotiation of terms in respect to the Prepayment Facility with Billion Sunny Investment Limited (**Billion Sunny**), whereby Billion Sunny and Image have agreed to extend the final maturity date, and any repayment obligations to 30 June 2027.

In addition to the matters noted above, shipping delays at the Port of Geraldton, which are outside of the Company's control, have caused certain scheduled HMC shipments to miss their shipping windows, which has affected the timing of the Group's revenue inflows. In order to mitigate the impact that these delays have on the Company's cashflows, Image has been implementing a number of strategies, including the negotiation of advance part-prepayment of shipments under the letters of credit supporting its HMC sales.

In the current economic environment, Image will be required to achieve a number of objectives in order to increase net cash inflows and continue as a going concern. To this end, and after 30 June 2026, Image commenced negotiations with the providers of the Company's two Prepayment Facilities, Shantou Natfort Zirconium and Titanium Co.,Ltd (**Natfort**), and Billion Sunny, to extend the final maturity dates of the facilities from 15 December 2026 and 31 December 2026, respectively, to no earlier than 30 June 2027, as well as seeking a continued suspension of any repayment obligations until 30 June 2027. During August 2026, and after 30 June 2026, Billion Sunny, the counterparty to the larger of the outstanding Prepayment Facilities, agreed to defer all repayments of the facility until 30 June 2027, with negotiations with the provider of the second Prepayment Facility, Natfort, ongoing at the time of this report. Image considers that it is reasonably likely that Natfort will agree to extend the final maturity date of the loan and repayment holiday on terms that are materially in line to the terms agreed with Billion Sunny.

In addition to the ongoing negotiations with respect to the Natfort Prepayment Facility noted above, Image is also undertaking a review of its cost structure, as well as options to monetise its portfolio of assets, including its undeveloped mineral sands projects and the Erayinia gold project.

Image is also actively exploring a number of other options to secure funding in the short term, and expects to be in a position to update shareholders on the progress of these activities shortly.

However, there remains a material uncertainty as to whether the Group will be able to obtain the required funding / achieve the forecast operating performance / refinance its borrowings, consequently, whether it will be able to continue as a going concern.

The half-year financial statements do not include any adjustments that may be required if the Group is unable to continue as a going concern.

Accounting Policies

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

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

NOTE 2 SEGMENT INFORMATION

Identification of reportable segments

The Group has identified that it operates in a single segment based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Group is a mineral sands focused exploration and mining company and currently operates the Atlas Mineral Sands mine, located in the North Perth Basin of Western Australia. All of the Group's mineral sands and gold tenements, containing the Group's Ore Reserves and Mineral Resources, are located in Western Australia.

Revenue and assets by geographical region

The Group operates wholly within the geographical location of Australia. All Heavy Mineral Concentrate revenue is received from offtake customers with operations in China.

	6 months to 30 June 2026 ($,000)	6 months to 30 June 2025 ($,000)
NOTE 3 COST OF SALES		
Mine operating costs	32,145	15,546
Depreciation and amortisation	8,328	8,606
Inventory movement	(1,392)	(1,104)
	39,081	**23,048**

Cost of goods sold is the inventory value of finished product sold. All production costs are added to inventory at cost, which includes direct costs, depreciation and amortisation. The inventory value recognised as cost of goods sold for finished product sold is the weighted average value per tonne for the stockpile from which the product is sold. Inventory is tested for impairment at each balance date, if impaired, the difference between cost and net realisable value is expensed to the statement of profit and loss and other comprehensive income.

Inventory movement represents the movement in the balance sheet inventory stockpile value from the beginning of the reporting period until the balance date, net of any impairment adjustment.

NOTE 4 FINANCING COSTS

Interest expense	1,174	1,661
Financing costs	-	62
Unwinding of rehab. provision discounting	904	1,352
	2,078	**3,075**

	30 June 2026 ($,000)	31 December 2025 ($,000)
NOTE 5 TRADE AND OTHER RECEIVABLES		
GST and tax refundable	365	519
Restricted cash – security for guarantee	329	329
Prepayments	725	669
Other receivables	37	5
	1,456	**1,522**

NOTE 5 TRADE AND OTHER RECEIVABLES (continued)

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

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

	30 June 2026 ($,000)	31 December 2025 ($,000)
NOTE 6 INVENTORIES		
Ore stockpiles	3,041	1,194
Heavy mineral concentrates and other intermediate stockpiles	5,716	6,171
Stores and consumables – at cost	2,221	2,290
	10,978	**9,655**

NOTE 7 PROPERTY, PLANT AND EQUIPMENT

	Plant and Equipment ($,000)	Land and Buildings ($,000)	Mine Development ($,000)	Total ($,000)
Half-year ended 30 June 2025				
Balance at 1 January 2025	48,432	21,847	23,471	93,750
Additions	32,444	-	6,827	39,271
Classified as held for sale	-	(3,745)	-	(3,745)
Depreciation	(4,665)	-	(3,846)	(8,511)
Balance as at 30 June 2025	**76,211**	**18,102**	**26,452**	**120,765**
As at 30 June 2025				
Cost	107,539	18,102	91,153	216,794
Accumulated depreciation and impairment	(31,328)	-	(64,701)	(96,029)
Net Book Value	**76,211**	**18,102**	**26,452**	**120,765**

NOTE 7 PROPERTY, PLANT AND EQUIPMENT (continued)

Half-year ended 30 June 2026	Plant and Equipment ($,000)	Land and Buildings ($,000)	Mine Development ($,000)	Total ($,000)
Balance at 1 January 2026	24,646	15,554	-	40,200
Additions	626	-	-	626
Impairment	(7,300)	(600)	-	(7,900)
Depreciation	(7,778)	-	-	(7,778)
Balance as at 30 June 2026	**10,194**	**14,954**	**-**	**25,148**
As at 30 June 2026				
Cost	71,197	15,554	74,783	161,534
Accumulated depreciation and impairment	(61,003)	(600)	(74,783)	(136,386)
Net Book Value	**10,194**	**14,954**	**-**	**25,148**

No mine development expenditure was incurred during the half-year ended 30 June 2026. During the half-year ended 30 June 2025 $6.8 million of development expenditure was incurred at the Atlas project.

At period end Image identified impairment indicators including a forecast declining mine grade a strengthening of the A$ against the US$ and the increasing cost of diesel, which adversely impacted forecast cashflows from the Atlas operations.

At the balance date an impairment of $7.9 million was recognised against assets related to the Atlas Mineral Sands Project.

Land and buildings comprise farm lots at Boonanarring and Atlas acquired by the Group for future mining operations. At 31 December 2025, the cost of two Boonanarring farms, comprising three farm lots, was transferred to assets classified as held for sale following the execution of sales contracts. Two of these farm lots settled during the period, with one farm lot yet to settle. In respect to the lot which had not settled at the balance date a $200,000 non-refundable deposit is held in trust.

NOTE 8 RIGHT OF USE ASSETS (LEASES)

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

	Office ($,000)	Motor Vehicle ($,000)	Equipment ($,000)	Total ($,000)
Half year ended 30 June 2025				
Balance at 1 January 2025	887	16	318	1,221
Additions	-	242	2,663	2,905
Amortisation	(125)	(71)	(505)	(701)
Balance at 30 June 2025	**762**	**187**	**2,476**	**3,425**
Half year ended 30 June 2026				
Balance at 1 January 2026	634	148	1,973	2,755
Additions	-	52	-	52
Amortisation	(130)	(94)	(505)	(729)
Balance at 30 June 2026	**504**	**106**	**1,468**	**2,078**

NOTE 9 EXPLORATION AND EVALUATION ASSETS

	6 months to 30 June 2026 ($,000)	6 months to 30 June 2025 ($,000)
Balance at the beginning of the period	48,008	46,197
Additions	2,110	396
Balance at the end of the period	**50,118**	**46,593**

Exploration expenditure associated with the acquisition of tenements and expenditure incurred on those tenements is capitalised if it is considered that the expenditure incurred will be recouped through the successful development and exploitation of the area of interest. During the half-year ended 30 June 2026 expenditure was predominantly incurred on the Durack and Yandanooka projects.

NOTE 10 LEASE LIABILITIES

	30 June 2026 ($,000)	31 December 2025 ($,000)
Current		
Lease liabilities	1,414	1,417
Non-Current		
Lease liabilities	798	1,439

NOTE 11 BORROWINGS

	Interest rate	30 June 2026 ($,000)	31 December 2025 ($,000)
Current			
Insurance premium funding	9%	160	427
HMC Prepayment Facility	10%	12,735	16,719
		12,895	**17,146**

In October 2024 Image entered into a secured US$20M Offtake Prepayment Facility (**Natfort PPF**) with key Chinese offtake partner, Shantou Natfort Zirconium and Titanium Co.,Ltd (**Natfort**). Subsequent to the execution of the Natfort PPF, Image and Natfort agreed to allow Natfort to assign 50% of the Natfort PPF to Billion Sunny Investment Ltd (**Billion Sunny**), an independent third-party financing entity incorporated in Cayman Islands (**Billion PPF**).

Natfort PPF
Under the terms for the Natfort PPF, nominally 25% of each shipment of Atlas HMC deliver to Natfort is to be delivered without charge, with the value of the "free issued" HMC to be recognised as a repayment of the Natfort PPF (With the value of the loan repayment based on a market based HMC pricing model agreed under the HMC Offtake Agreement between Natfort and Image). The Natfort PPF is a secured loan, with an interest of 10% p.a. compounding monthly. US$1.9M was repaid from sales proceeds during the six months to 30 June 2026 (30 June 2025 HY: US$1.0M).

The Facility funds were provided to support working capital requirements for the development of the 100% owned Atlas mineral sands project. The principal and interest is to be repaid by the delivery of market priced heavy mineral concentrate (**HMC**) from Atlas.

US$3.1M (A$4.5M) was outstanding at 30 June 2026. The facility has a maturity date of 31 December 2026, and includes a repayment holiday which ends on 31 August 2026. (refer Note 14).

Billion PPF
The terms of the initial Billion PPF were materially the same as the Natfort PPF.

On 18 August 2026 Image and Billion Sunny agreed to extend the final maturity date of the Billion PPF to 30 June 2027. In addition to the extending the term of the loan, the parties also agreed that no loan repayments would be required until the final maturity date. Interest on the outstanding loan balance will continue to accrue at 10% p.a compounding, with the outstanding principal and interest repayable at maturity.
US$1.0M was repaid from sales proceeds during the six months to 30 June 2026 (30 June 2026 HY: US$1.5M). US$5.7M (A$8.3M) was outstanding at 30 June 2026.

NOTE 12 ISSUED CAPITAL

	30 June 2026 ($,000)	31 December 2025 ($,000)
Ordinary share capital		
Issued and fully paid	122,410	121,971

	30 Jun 2026	
	Number	($,000)
At 1 January 2026	1,106,887,910	121,971
Conversion of performance rights to shares	6,916,237	439
At 30 June 2026	**1,113,804,147**	**122,410**

	30 June 2026 ($,000)	31 December 2025 ($,000)
Reserves		
Fair value reserve of financial assets	-	21
Share based payments reserve	810	1,321
Profits reserve account	18,682	18,682
Other reserves - OCI	(707)	(707)
	18,785	**19,317**

	6 months to 30 June 2026 ($,000)	6 months to 30 June 2025 ($,000)
Share Based Payments Reserve		
Balance at the beginning of the period	1,321	502
Share based payments expense	289	797
Conversion of performance rights to shares	(439)	-
Cancellation of performance rights	(361)	-
Balance at the end of the period	**810**	**1,299**
Profits Reserve Account		
Balance at the beginning of the period	18,682	18,682
Balance at the end of the period	**18,682**	**18,682**

	30 June 2026 Number	31 December 2025 Number
Share Based Payments Reserve Movement -Performance Rights		
Balance at the beginning of the period	52,848,173	30,342,706
Unquoted performance rights issued	10,500,425	27,113,244
Converted to shares during the period	(6,916,237)	(1,076,148)
Cancelled during the period	(8,628,360)	(3,531,629)
Balance at the end of the period	**47,804,001**	**52,848,173**
Exercisable at the end of the period	14,980,826	5,081,853

During the half-year period ending 30 June 2026, 10,500,425 performance rights were issued to employees of the Company (2025: 27,113,244). Performance rights issued in prior periods to KMP's were issued under a long-term incentive award program and have a 3-year vesting period, are linked to performance key performance indicators, which is weighted towards share price performance.

The Black-Scholes option pricing model was used to value the performance rights which considers the exercise price, the term of the rights, the share price at grant date, the expected price volatility of the underlying share and the risk-free interest rate for the term of the performance rights. The expense recognised during the half year period in respect of performance rights was $289,000 reported under corporate expenses.

The following performance rights were in place at reporting date

Issue Date	Performance Period	Vesting Date	Expiry Date	Exercise Price	Number of rights
21 December 2023	2023	30/06/2025	30/06/2027	Nil	862,729
6 February 2024	2023	30/06/2025	30/06/2027	Nil	1,758,766
29 May 2024	2024-26	30/06/2026	30/06/2028	Nil	12,696,012
24 June 2025	2023-24	30/06/2025	31/12/2027	Nil	318,137
24 June 2025	2023-24	30/06/2026	31/12/2027	Nil	1,103,948
24 June 2025	07-12/2024	30/06/2026	31/12/2027	Nil	241,995
24 June 2025	07-12/2024	30/06/2027	30/06/2029	Nil	7,243,394
24 June 2025	2025	31/12/2026	31/12/2028	Nil	164,618
24 June 2025	2025	31/12/2027	31/12/2028	Nil	329,235
24 June 2025	2025	31/12/2027	31/12/2029	Nil	12,584,742
30 June 2026	2025	31/12/2026	31/12/2027	Nil	10,500,425

NOTE 13 TENEMENT EXPENDITURE COMMITMENTS

The Group has minimum expenditure and work program obligations on tenements held, which from time to time in accordance with annual licence conditions. Tenement rentals and minimum expenditure obligations, that may be varied or deferred on application, are expected to be met in the normal course of business.

The minimum statutory expenditure requirement on the granted tenements for the next twelve months amounts to $1,142,095.

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

NOTE 14 MATERIAL EVENTS AFTER THE REPORTING PERIOD

In July 2026 the Australian Patent Office accepted a patent application by Image for an improved synthetic Rutile process, with the patent currently in the "acceptance notice" period, which ends on 6 November 2026. If successful, a patent is scheduled for grant in November 2026.

On 3 July 2026 Mr John McEvoy retired from his role as Chief Financial Officer and Company Secretary of Image, with Mr David Lim, engaged by Image through the CFO centre, a provider of fractional chief financial officers, was appointed Interim CFO on 2 July 2026 while the Company continued its search for a permanent replacement for Mr McEvoy.

In August 2026, Billion Sunny Investment Limited (**Billion Sunny**), the provider of a US$ denominated Prepayment Financing Facility, agreed to extend the final maturity date of the facility from December 2026, to 30 June 2027. In addition to extending the term of the loan, Billion Sunny also agreed that no loan repayments would be required until 30 June 2027. Interest on the outstanding loan will continue to accrue at 10%p.a, compounding, and is payable on the final maturity date with any balance outstanding.

On 20 August 2026, Image announced that it was undertaking a cost optimisation program across the Group's operations, including a review of corporate overheads, operating costs, contractor and consultancy arrangements and capital commitments. In conjunction with the cost review program, Image commenced a strategic review of the Company's asset portfolio, in order to maximise shareholder value as the board considered that the value of its asset portfolio was not adequately reflected in the Company's share price.

On 31 August 2026, Image's Managing Director and Chief Executive Officer, Mr Patrick Mutz, stepped down from his position as CEO, and retired from his board position with Image, with Mr Winston Lee, Image's chair transitioning from a non-executive to executive chair role with the Company while Image undertakes the recruitment of a new CEO. Mr Aaron Chong Veoy Soo retired from his role as a non-executive director of Image on 7 September 2026 for family and personal reasons.

DIRECTOR'S DECLARATION

The directors of the Company declare that:

1. the accompanying financial statements and notes:

   (a) comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and

   (b) give a true and fair view of the financial position of the Group as at 30 June 2026 and its performance for the half-year ended on that date.

2. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the board of directors:

Signed for and on behalf of the board of directors

MR WINSTON LEE
Chair
Perth
11 September 2026

ELDERTON
AUDIT PTY LTD

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Image Resources NL

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Image Resources NL (the 'Company') and its subsidiaries ("the Group"), which comprises the condensed consolidated statement of financial position as at 30 June 2026, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

(a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

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

Emphasis of Matter – Going Concern

We draw attention to Note 1, Basis of Preparation, of the half-year financial report, which indicates that the Group's ability to continue as a going concern is dependent on, among other matters, the successful extension or refinancing of approximately $4 million of financing obligations, the continued generation of cash flows from the Atlas Mineral Sands Project, the realization of inventory and assets held for sale, and the successful completion of proposed funding initiatives. The Group also has significant future mine rehabilitation obligations and the Atlas operation has a limited remaining life.

As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our review conclusion is not modified in respect of this matter.

Independence

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

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

Director's Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2026 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

Elderton Audit Pty Ltd.

Elderton Audit Pty Ltd

Sajjad Cheema
Director

11 September 2026
Perth