



KNOWLEDGE • INNOVATION • EXCELLENCE

9 February 2016

## Media Release

### RE: Execution of Binding Agreement with Image Resources NL

In line with the Memorandum of Understanding (**MOU**) signed with Image Resources NL (**Image**) in April 2015, the Directors of Murray Zircon Pty Ltd are pleased to announced the company has now signed a binding **Asset Sale and Purchase Agreement (ASPA)** with Image and Murray Zircon's parent company Guangdong Orient Zirconic Ind Sci & Tech Co., Inc. (**OZC**) located in China.

Under the terms of the ASPA, **Murray Zircon will receive up to 47% of the share capital of Image**. In exchange, Murray Zircon will provide its ore processing equipment, certain infrastructure items, operational expertise, senior management personnel, a purchase option for its Mineral Separation Plant, a commitment from OZC to purchase 90% of total zircon production as well as access to loan funds.

The goal of the venture is **to rapidly advance the development of Image's flagship high-grade Boonanarring mineral sands deposit** in the North Perth Basin in Western Australia. The Boonanarring deposit is located near the township of Gingin approximately 65km north of Perth in an area with significant existing infrastructure and is arguably one the highest grade, high zircon, ready-for-development projects in Australia.

The principal remaining hurdle to the completion of the deal is Image receiving shareholder approval, which it is expecting to seek in the next 2-3 months.

Full details of the ASPA have been published by Image in its ASX announcement dated 9 February 2016.

Murray Zircon's CEO Mr Patrick Mutz commented, "The Execution of a binding agreement with Image and OZC commits the company to the opportunity to become a major shareholder in a new mining company targeting the production of zircon and other mineral sands commodities in Western Australia.

The opportunity to join Image and develop a new high-grade mining operation is in-line with Murray Zircon's longer term plans to play a major role in an active mining company,

and the high ore grade at Boonanarring is a key ingredient to mining sustainably in the challenging minerals sands market.”

### Company Summary

**Murray Zircon Pty Ltd** is a privately held mineral sands mining company that has been focused on the production of heavy mineral concentrate (HMC) in the Murray Basin in South Australia. It is majority owned by OZC.

The company's principal asset is the Mindarie Mineral Sands Project located 150km east of Adelaide in the Mallee region of South Australia. Murray Zircon redeveloped the Mindarie Project and successfully mined and produced HMC starting in December 2012. The company has also been an active explorer on its 100% owned exploration tenement portfolio within the Murray Basin.

As of April 2015 the company has been on care and maintenance due to low commodity prices, and is continuing with its mine rehabilitation commitments.

**Image Resources NL (ASX: IMA)** is an Australian publicly listed and advanced mineral sands exploration company looking to transition to project development and production on its 100%-owned Boonanarring high-grade mineral sands deposit in Western Australia.

**Guangdong Orient Zirconic Ind Sci & Tech Co., Ltd. (SZ: 002167)** (OZC) is one of China's largest zircon processing companies with one of the most comprehensive ranges of zirconium products in the world. OZC is listed on the Shenzhen Stock Exchange with a current market capitalisation of approximately RMB 4.8 Billion (AU\$1.0 billion).

### **For further information contact:**

Patrick Mutz  
CEO  
Murray Zircon Pty Ltd  
[pmutz@murrayzircon.com.au](mailto:pmutz@murrayzircon.com.au)