



ASX Release
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EXPLORATION UPDATE

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In addition to its recent extensive ground acquisitions in the southern Yilgarn region (ASX release 26 May 2005) Image Resources is pleased to advise that good progress is being made at several other of Image's exploration projects in Western Australia.

EMU LAKE (Image 30%, Jubilee Mines 60%, Skryne Hill 10%)

Jubilee Mines has advised that following a positive review of the joint venture exploration results to date, a further deep drilling programme is to be carried out at the Gossan Zone in the September 2005 quarter, subject to drill availability. The drilling programme is likely to consist of up to four diamond drill holes to test for depth extensions of the massive nickel sulphides previously intersected (best intersection **2m at 6.20% Ni and 1.78% Cu** from 336m) followed by down hole EM surveys.

FORRESTANIA (Image 100%)

As previously reported, (31 March 2005) two strong EM conductors have been identified along the interpreted extension of the Flying Fox ultramafic sequence within Image's tenements. Drilling of the shallower EM target, termed IR2, is scheduled to start in mid-July. The anomaly is a strong conductor at less than 100m depth with a 50m strike length and a 100m depth extent and coincides with a ground magnetic anomaly consistent with a massive nickel sulphide target. Anomaly IR4 is a deeper conductor at about 300m below surface and a larger drill rig to test this target is still being sourced.

TROJAN JV (Image 100%, Troy earning 60%)

Fixed loop ground EM surveys over two areas of elevated nickel and copper values in RAB drilling at Woongaring are scheduled to start in the next week. The EM surveys are designed to test for conductive nickel sulphides at each of the two nickel-anomalous areas, about 5km apart. Following the grant of a second exploration licence at Woongaring geochemical surveys over 100sq km of interpreted greenstone sequences are scheduled to start in late July.

Troy Resources is also funding a programme of scout RAB drilling at Scorpion Well about 10km southeast of the 2Moz Darlot-Centenary gold mines, to test for extensions of the gold-prospective corridor hosting these mines into the joint venture tenement. This drilling is planned to start within the next week. In addition, geochemical vacuum drilling to test the interpreted 4km extension of a gold-anomalous shear zone identified in previous drilling at Adam Range near Laverton is scheduled to start in early August.

JILBADGIE JV (Image 35%, Westonia Mines 65%)

Fixed loop EM surveys have been carried out over three nickel anomalies at Jilbadgie about 25km south of Southern Cross. Moderate-strength conductors have been identified in all three areas with interpretation and modelling of the results currently in progress.

LAKE PERCY (Image 100%)

Fixed loop ground EM surveys over the Bondi and Town Hall nickel targets, situated about 25km north-northwest of the Emily Ann nickel mine, have been delayed by wet weather and are now scheduled to start in mid-July.

MT HAYS (Image 90%)

A 6-hole, 700m RC drilling programme is scheduled to start in mid-July, to test below and along strike from previous RAB drill intercepts. The wide-spaced RAB drilling, which tested an outcropping zone of quartz veining and stockworks, intersected anomalous gold values over a strike length of 650m with best intercepts of **1m at 8.1g/t Au** from 34m in drill hole MHDRB-02 and **2m at 4.0g/t Au** from 33m in drill hole MHDRB-6A.

MT ELSIE (Image 67%)

A 3-hole 300m RC drilling programme is to be completed in late July following the Mt Hays drilling. The drilling at Mt Elsie will follow up previous RAB intercepts at the T4 prospect (best intercept **14m at 4.3g/t Au** from 4m in drill hole ERB-352).

OTHER PROJECTS (Image 100%)

Geochemical sampling has commenced at Image's Dingo Well project near Laverton, and at Bronco Plains about 140km east of Kalgoorlie aimed at testing gold targets identified from interpretation of aeromagnetic data. In addition reconnaissance sampling for both nickel and gold is planned to start in mid-July on several recently acquired projects situated south of Coolgardie. A total of approximately 1500 samples is envisaged in the current programme.

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

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The information on mineralisation contained in this report accurately reflects the information compiled by Mr Roger Thomson BSc, ARSM, MAusIMM, MAIG who is a competent person (as defined by the Australasian Code of Reporting of Identified Mineral Resources and Ore Reserves) with relevant experience in relation to such mineralisation.