ASX ANNOUNCEMENT | 24 November 2026

Image Signs Binding Agreements with LB Group for the Durack and Yandanooka Mineral Sands Projects

Highlights

- Image has signed binding agreements with subsidiaries of its major shareholder LB Group Co., Ltd (**LB Group**) covering the Durack and Yandanooka mineral sands projects in Western Australia.
- Under the proposed transaction, LB Group is to acquire a 72.5% shareholding in Titon Resources Pty Ltd (**Titon**), the Image subsidiary that holds the Durack and Yandanooka mineral sands projects, in return for:
  - the payment of A$20 million in cash to Image, of which A$5 million has already been paid and another A$5 million is expected to be advanced before completion occurs; and
  - the contribution by LB Group of the Mindarie mineral sands processing plant and mining equipment (having an agreed value of A$121 million) to Titon.
- Post completion, Image will be a 27.5% shareholder in Titon and is expected to remain as the manager of the Durack and Yandanooka projects.
- Image will have an option, for three years after completion, to buy back a ~10% interest in Titon for A$20 million (plus interest).
- Completion is conditional on various conditions precedent being satisfied, including approval any necessary PRC regulatory approvals being obtained and approval of Image shareholders. A general meeting of Image shareholders is expected to be convened in early 2027.

Image Resources NL (ASX: IMA) **(Image** or the **Company)** is pleased to announce that it has entered into a Share Sale and Subscription Agreement with subsidiaries of LB Group Co., Ltd (SZSE: 002601).

On completion of the proposed transaction, LB Group will acquire a 72.5% shareholding in Titon Resources Pty Ltd (**Titon**), the wholly owned Image subsidiary that holds the Durack and Yandanooka mineral sands projects in the North Perth Basin, Western Australia (the **Projects**), with Image continuing to hold a 27.5% interest in Titon (the **Transaction**).

The Transaction is structured such that on completion:

- LB Group will acquire existing Titon shares from Image for A$20 million in cash consideration. In this regard, A$5 million has already been received by Image by way of an advance (see Image's ASX announcements dated 23 and 25 September 2026), with an additional A$5 million expected to be paid by way of a further advance before 27 November 2026. The remaining A$10 million cash consideration is payable by LB Group on completion.

- Murray Zircon Pty Ltd, an LB Group subsidiary, will transfer its Mindarie mineral sands processing plant, mobile mining unit and associated equipment (the **Plant**) to Titon in consideration for the issue of new Titon shares. The Plant is currently located in South Australia and needs to be relocated to Western Australia for use at the Projects. The parties agreed a value of A$121 million (excluding GST) for the Plant for the purpose of the share issue.

As such, the Transaction will create an incorporated joint venture between Image and the LB Group to progress the development of the Durack and Yandanooka mineral sands projects through their shareholdings in Titon. Under those joint venture arrangements:

- LB Group will initially hold a 72.5% shareholding in Titon and be entitled to appoint a majority of Titon's Board for so long as it shareholding in Titon is at least 50%. Image will initially hold the remaining 27.5% shares in Titon and be entitled to appoint one director for so long as its shareholding in Titon is not less than 10%.
- Image is expected to be appointed as the manager of the Projects under a management agreement that is still to be finalised.
- Titon's costs are to be funded by its shareholders in proportion to their shareholdings. A shareholder that does not contribute its required funding may be diluted.
- Image will have an option, for three years post-completion, to buy back the shares it is selling (~10% of Titon) for A$20 million plus interest of 10% a year (less any dividends paid on those shares).

Importantly, the Transaction provides Image with a cash injection that will strengthen its working capital during a period of weak mineral sands prices and higher operating costs. No Image shares are being issued to LB Group in connection with the Transaction.

The Projects remain at the study stage, and their development is subject to land access, mining approvals, a feasibility study and securing the necessary funding for development.

Executive Chair Mr Winston Lee said:

"*LB Group has been a supportive major shareholder of Image, and this agreement turns that support into a partnership. It puts a processing plant behind Durack and Yandanooka, brings in one of the world's largest titanium dioxide producers as majority owner and funding partner, and delivers A$20 million in cash without issuing a single Image share. I believe this is the best path forward for Image. LB Group stood behind Image through a difficult market, and we look forward to its support extending well beyond this transaction as we move towards development. Subject to the independent expert's report concluding that the transaction is in the best interest of Image shareholders (not associated with LB Group), I will be recommending that shareholders vote in favour of the Transaction*."

Conditions and Shareholder Approval

Completion of the Transaction remains conditional on:

- approval by Image shareholders, including under ASX Listing Rule 10.1;
- regulatory approvals in Australia and China (including ACCC and PRC regulatory approvals, to the extent they are required);
- a restructure of Titon so that it holds only the Projects; and
- LB Group's internal approvals, including an independent valuation report acceptable to LB Group.

If these conditions are not satisfied by 30 April 2027 (or such later date as agreed between the parties), the Transaction may be terminated. In such circumstances, Image must repay the advances received from LB Group prior to that time (expected to be $10 million) within 90 days of termination occurring. Subject to Image shareholder approval being obtained, that repayment obligation will be secured by a share mortgage over Image's shareholding in Titon, as well as general security over Titon's assets and a mortgage over the Project tenements.

As LB Group holds in excess of 10% of Image's shares, the Transaction and the proposed grant of security requires the approval of Image shareholders under ASX Listing Rule 10.1. As such, an independent expert's report is required to be provided to Image shareholders opining on whether the Transaction is fair and reasonable to shareholders not associated with LB Group.

A meeting of Image shareholders is expected to be held in early 2027 to consider the proposed Transaction. Image will keep the market informed of progress.

This announcement is approved for release by Winston Lee, Executive Chair.

For further information, please contact:

Winston Lee
EXECUTIVE CHAIR

E. info@imageres.com.au
W. www.imageres.com.au

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.

About LB Group

LB Group Co., Ltd is a major Chinese specialty chemical and materials manufacturer. It is best known for producing titanium dioxide (TiO_2) pigments, and its product portfolio also includes titanium sponge, zirconium products and lithium battery materials.

Forward-looking statements

This announcement contains forward-looking statements, including statements about the timing of the general meeting and of completion and the future development of the Projects. They are subject to risks and uncertainties, many of which are outside Image's control, including the outcome of the shareholder vote, regulatory and other approvals, the results of feasibility studies, the availability of funding and commodity prices. Actual results may differ materially.