

MINING EXPLORATION ENTITY QUARTERLY REPORT

APPENDIX 5B

Name of entity:

IMAGE RESOURCES NL

ABN:

57 063 977 579

Quarter ended ("current quarter")

31/12/2010

Consolidated statement of cash flows

	Current quarter \$AUD'000	Year to date (6 months) \$AUD'000
Cash flows related to operating activities		
1.1 Receipts from product sales, related debtors, GST Credits	38	143
1.2 Payments for:		
(a) exploration and evaluation	(284)	(774)
(b) development		
(c) production		
(d) administration	(220)	(572)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	86	108
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(380)	(1,095)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	(32)	(74)
(b) equity investments	(98)	(310)
(c) other fixed assets	(3)	(7)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		466
(c) other fixed assets	1	1
1.10 Loans to other entities		
1.11 Loans advanced by/repaid to other entities		
1.12 Other (Loan repayments to associated company)		
Net investing cash flows	(132)	76
1.13 Total operating and investing cash flows (carried forward)	(512)	(1,019)

1.13	Total operating and investing cash flows (brought forward)	(512)	(1,019)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	1,306	1,306
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material) – Share issue expenses	(68)	(68)
	Net financing cash flows	1,238	1,238
	Net increase (decrease) in cash held	726	219
1.20	Cash at beginning of quarter/year to date	3,542	4,049
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	4,268	4,268

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$AUD'000
1.23	Aggregate amount of payments to the parties included in item 1.2	88
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

	Amount available \$AUD'000	Amount used \$AUD'000
3.1	Loan facilities	
3.2	Credit standby arrangements	

Estimated cash outflows for next quarter

	\$AUD'000
4.1 Exploration and evaluation	400
4.2 Development	
4.3 Administration	180
Total	580

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$AUD'000	Previous quarter \$AUD'000
5.1 Cash on hand and at bank	73	93
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details) – Short Term Deposits	4,195	3,449
Total: cash at end of quarter (item 1.22)	4,268	3,542

Changes in interests in mining tenements

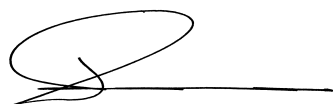
	Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E70/3417	Relinquished	100%	0%
6.2 Interests in mining tenements acquired or increased	E70/3997	Application	0%	100%
	E70/3999	Application	0%	100%
	E70/4000	Application	0%	100%
	E70/4001	Application	0%	100%
	E70/4002	Application	0%	100%
	E69/2434	Granted	100%	100%
	E70/3720	Granted	100%	100%
	E70/3893	Granted	100%	100%
	E70/3966	Granted	100%	100%
	P70/1595	Granted	100%	100%

Issued and quoted securities at end of current quarter

		Total number	Number quoted	Issue price per security (cents)	Amount paid-up per security (cents)
7.1	Preference securities	N/A			
7.2	Issued during quarter				
7.3	Ordinary securities				
	Fully paid	89,588,959	89,588,959		
7.4	Issued during quarter	3,125,000	3,125,000	\$0.40	\$0.40
		150,000	150,000	\$0.37	\$0.37
7.5	Convertible debt securities	N/A			
7.6	Issued during quarter				
7.7	Options			<i>Exercise price</i>	<i>Expiry date</i>
		2,500,000	Not Quoted	\$1.80	16.11.2011
		2,500,000	Not Quoted	\$1.50	19.11.2011
		2,200,000	Not Quoted	\$2.12	20.11.2012
		2,345,000	Not Quoted	\$1.12	18.12.2014
7.8	Issued during quarter	Nil			
7.9	Exercised during quarter	150,000	Not Quoted	\$0.37	21.11.2010
7.10	Expired during quarter				
	Director Options	1,850,000	Not Quoted	\$0.37	21.11.2010
	Employee Options	1,000,000	Not Quoted	\$2.38	26.3.2012
7.11	Debentures	N/A			
7.12	Unsecured notes	N/A			

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX.
2. This statement does give a true and fair view of the matters disclosed.



Rudolf Tieleman
Company Secretary
 Date: 31 January 2011