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CAIRN HILL METALLURGY DELIVERS PREMIUM MAGNETITE CONCENTRATE

Diversified resources company IMX Resources NL (ASX:IXR) has received positive results from the 2008 drilling program and metallurgy covering the Phase 2 area of the Cairn Hill project.

IMX Resources Managing Director Duncan McBain said the results were exciting, and confirmed the potential to produce a premium magnetite concentrate with very low levels of impurity.

“Being able to produce a premium 69% Fe magnetite concentrate at a 0.5mm coarse grind sizes is exceptional. The capital and operating costs should be significantly reduced by the unique nature of this deposit,” he said.

“Results from the testwork are very encouraging and confirm it is possible to produce a premium quality magnetite concentrate with very low levels of impurities at an exceptionally coarse grain size. The capital and operating costs should be significantly reduced by the unique nature of this deposit, making a low cost operation equivalent to many beneficiated DSO projects a real possibility.”

IMX has finished the trial mining at Phase 1 of its Cairn Hill project, and is expecting to commence full scale mining in the fourth quarter of 2008. IMX is also working toward release of a resource estimate for Phase 2 at Cairn Hill in the next quarter.

The Phase 2 area is a low copper / sulphur magnetite with generally a slightly lower iron grade than the Phase 1 area that IMX Resources is currently developing. Importantly, IMX Resources has signed the sales agreement with partner Jilin Tonghua Iron and Steel Mining Co Ltd (“Tonghua Mining”) last month covering the Phase 1 area.

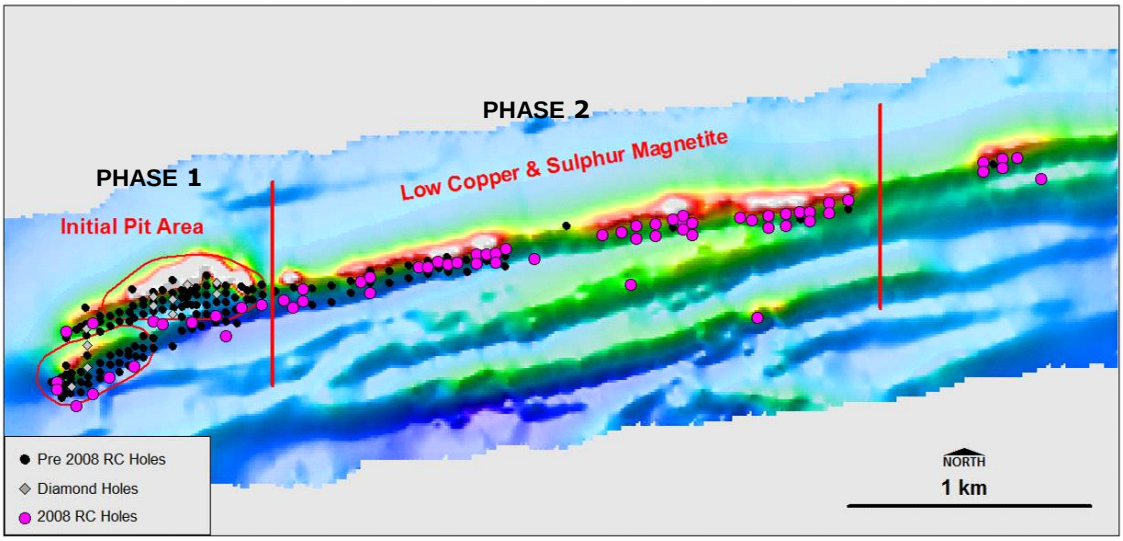


Figure 1: Phase 1 & 2 drilling

Metallurgical testwork conducted by SGS Minerals Metallurgy on composited core from three diamond drill holes, has highlighted just how different the Phase 2 magnetite is compared to the traditional magnetite paradigm.

The testwork indicates that the magnetite is relatively soft and will be easy to crush and grind, which correlates well to the experience from the trial mining in the Phase 1 area.

Whole core samples were initially crushed to various sizes ranging from 25 mm to 10mm and then dry magnetic separation was conducted. A size fraction of 10mm was chosen from these results as producing the optimum metal recovery while providing feed to the mills at the smallest size.

The magnetic product from the dry magnetic separation was subsequently ground down to varying sizes from 710 µm to 250 µm and wet magnetic separation conducted on these size fractions.

PRODUCT	Cumulative Recovery	Al	SiO_2	Cu	P	S	Fe
ROM Ore		1.01%	10.91%	0.02%	1.430%	0.68%	**52.0%**
After Dry Magnetic Separation (P_{100} 10mm)	79.0%	0.75%	6.13%	0.02%	0.853%	0.55%	**62.4%**
After Wet LIMS Magnetic Separation (P_{80} 500µm)	63.5%	0.43%	1.68%	0.01%	0.068%	0.09%	**68.8%**

Note: 500µ = 35 US Mesh = 0.5mm

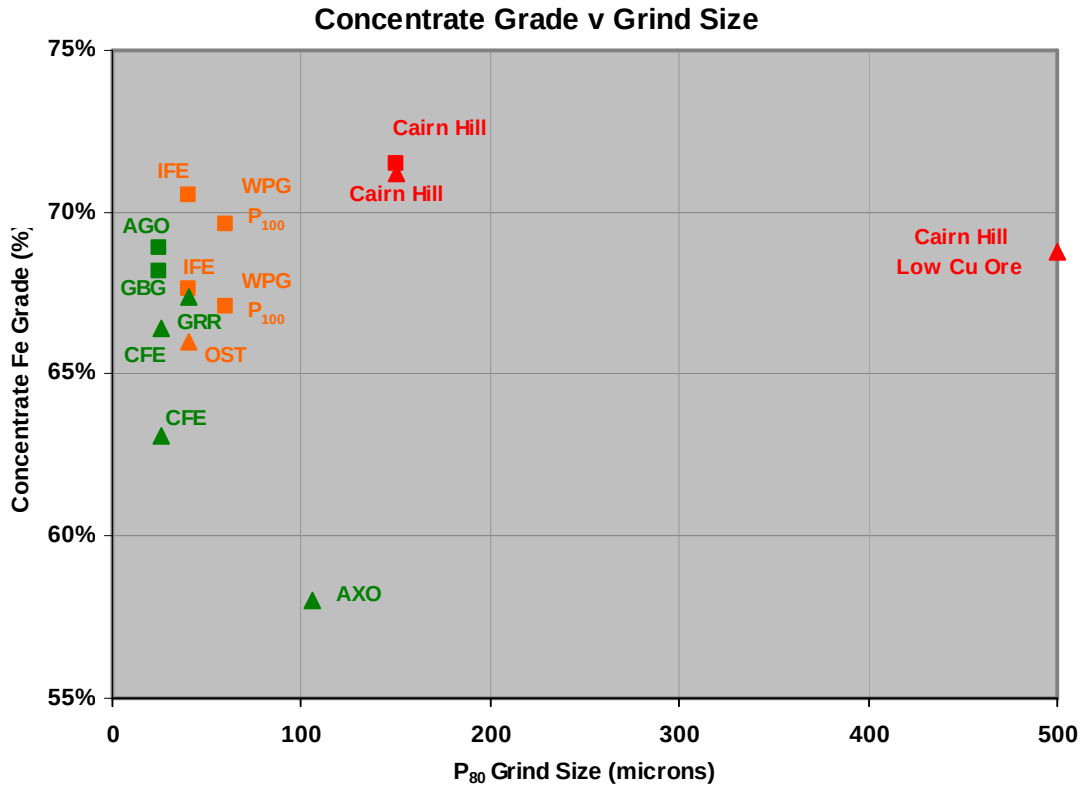
Table 1: Phase 2 metallurgical test results

The 250 µm grind produced a 69.7% Fe magnetite concentrate with even lower levels of impurities.

Further optimisation work will be undertaken later in the year once the resource estimate has been completed.

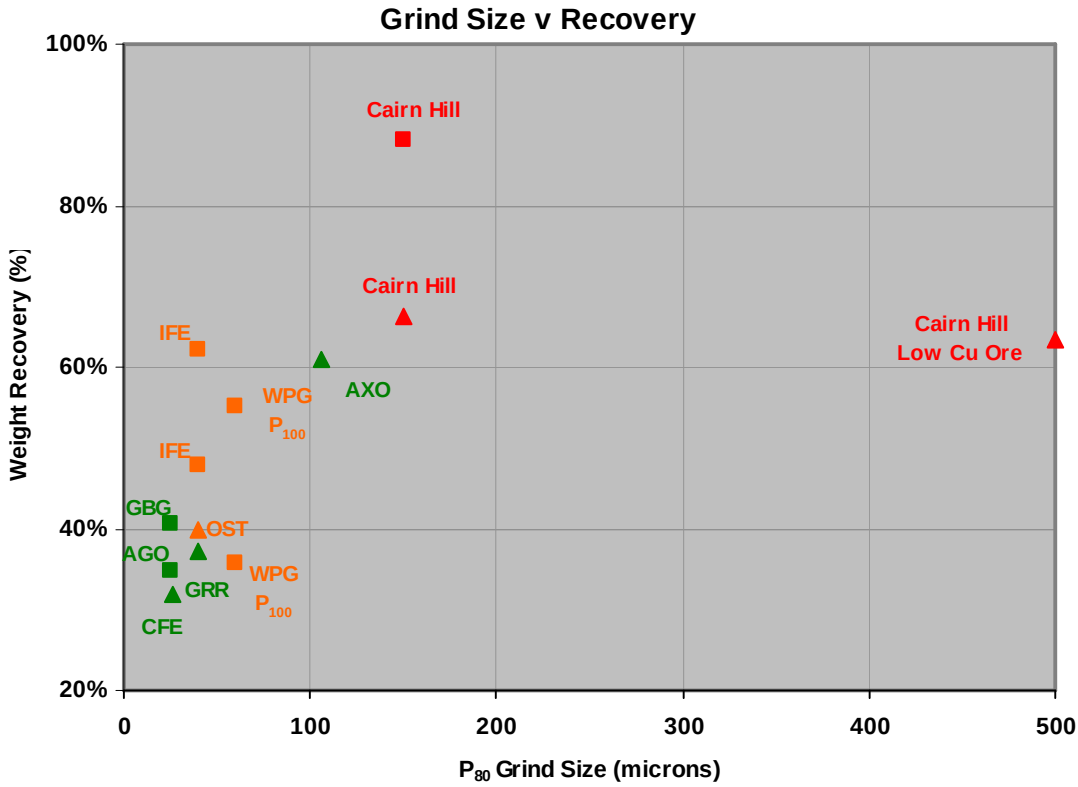
The unique nature of this deposit is demonstrated by the two graphs shown below which compare the Phase 2 magnetite to other magnetite test results reported in Australia (Figure 2 & 3). The graphs clearly demonstrate just how different the metallurgy of the Cairn Hill deposit is, and how with the absence of copper and sulphur there are cheap and effective methods to produce a premium magnetite concentrate which has the potential to break the magnetite paradigms.

Using the coarse grind sizes appears to not compromise the magnetite concentrate recovery or the premium nature of the magnetite concentrate. The advantage of the coarse grain size is that the concentrate can be used directly as sinter plant feed with traditional haematite fines. When blended with the lower grades of haematite fines being used, this can improve blast furnace productivity.



Source: Company websites and ASX announcements

Figure 2: Magnetite concentrate grade v grind size



Source: Company websites and ASX announcements

Figure 3: Concentrate weight recovery v grind size

The results from the Phase 2 drilling conducted in the first quarter are now available following an internal QA/QC audit.

Area	Hole	From (m)	To (m)	Interval (m)	Fe (%)	Cu (%)	Au (ppm)	P (%)	S (%)	Al (%)	Si (%)
Phase 2	**CHRC152**	**70**	**74**	**4**	**61.8**	**0.00**	**0.004**	**0.2**	**0.0**	**1.2**	**3.27**
Phase 2	CHRC153	91	97	6	48.1	0.01	0.003	0.2	0.1	2.7	8.68
	includes	**95**	**97**	**2**	**64.8**	**0.00**	**0.004**	**0.1**	**0.1**	**1.0**	**2.45**
		100	103	3	54.5	0.00	0.003	0.2	0.1	2.0	6.41
Phase 2	**CHRC154**	**46**	**50**	**4**	**60.3**	**0.00**	**0.003**	**0.1**	**0.0**	**1.5**	**4.61**
Phase 2	CHRC155	74	75	1	52.1	0.04	0.002	0.5	1.3	1.9	6.85
		106	108	2	58.2	0.00	0.001	0.1	0.0	1.7	4.83
Phase 2	**CHRC156**	**39**	**40**	**1**	**64.4**	**0.01**	**0.001**	**0.6**	**0.6**	**0.3**	**1.17**
		67	69	2	50.2	0.12	0.010	0.5	2.2	1.6	7.53
		70	71	1	52.5	0.07	0.002	1.0	2.1	1.2	5.61
Phase 2	**CHRC158**	**64**	**67**	**3**	**66.0**	**0.01**	**0.002**	**0.1**	**0.2**	**0.6**	**1.85**
Phase 2	CHRC159	54	60	6	48.5	0.01	0.002	0.8	35.0	1.8	8.27
		62	74	12	50.6	0.05	0.003	0.9	1.8	1.5	6.56
Phase 2	CHRC160	13	15	2	51.0	0.03	0.002	1.1	0.0	1.1	6.05
		16	43	27	55.7	0.01	0.001	0.8	0.0	0.6	5.21
Phase 2	CHRC161	11	17	6	56.7	2.00	0.001	0.3	0.0	0.9	4.16
Phase 2	CHRC164	67	68	1	53.8	0.04	0.001	1.2	1.2	1.0	4.44
Phase 2	CHRC165	86	91	5	51.0	0.01	0.001	0.1	0.2	2.4	7.02
		106	108	2	54.3	0.00	0.001	0.0	0.0	1.7	7.30

Area	Hole	From (m)	To (m)	Interval (m)	Fe (%)	Cu (%)	Au (ppm)	P (%)	S (%)	Al (%)	Si (%)
Phase 2	CHRC166	36	43	7	53.4	0.00	0.001	0.1	0.1	1.9	7.04
		44	49	5	50.1	0.00	0.001	0.1	0.2	2.6	7.96
		68	70	2	53.7	0.04	0.002	1.1	1.3	1.2	4.85
Phase 2	CHRC167	42	49	7	51.0	0.00	0.001	0.1	0.1	2.5	7.27
		52	55	3	48.5	0.00	0.001	0.0	0.2	2.8	8.78
Phase 2	CHRC168	**102**	**111**	**9**	**60.8**	**0.00**	**0.001**	**0.0**	**0.1**	**2.4**	**6.37**
		113	**117**	**4**	**66.0**	**0.00**	**0.002**	**0.0**	**0.0**	**0.9**	**1.83**
		143	148	5	56.6	0.02	0.003	0.9	1.3	0.6	5.03
Phase 2	CHRC173	32	46	14	53.4	0.01	0.001	0.5	0.1	1.0	6.22
Phase 2	CHRC174	56	57	1	41.6	0.03	0.002	1.2	1.1	2.5	10.10
Phase 2	CHRC175	52	64	12	50.1	0.03	0.002	1.2	2.2	1.3	6.31
	includes	**52**	**56**	**4**	**62.9**	**0.01**	**0.001**	**0.3**	**0.4**	**0.6**	**3.20**
Phase 2	CHRC176	91	97	6	54.2	0.03	0.001	0.9	1.7	1.1	4.59
		98	104	6	54.3	0.03	0.001	0.7	1.2	1.2	5.22
Phase 2	CHRC177	156	163	7	49.4	0.10	0.004	1.0	2.8	1.2	6.76
	includes	157	161	4	56.3	0.12	0.010	0.9	2.9	0.6	3.69
Phase 2	CHRC178	81	86	5	41.1	0.01	0.001	0.9	0.2	1.9	11.79
Phase 2	CHRC179	17	19	2	53.4	0.12	0.010	0.4	0.1	0.5	2.42
		22	26	4	55.1	0.03	0.001	1.4	0.8	0.6	3.04
		27	31	4	45.1	0.02	0.002	2.3	0.1	0.8	6.71
Phase 2	CHRC182	32	39	7	42.8	0.07	0.006	1.3	3.8	1.9	8.73
	includes	35	38	3	53.8	0.09	0.010	1.6	4.3	0.5	2.85
Phase 2	CHRC183	100	104	4	40.1	0.01	0.001	2.3	0.6	1.2	10.45
Phase 2	CHRC184	28	29	1	49.2	0.02	0.002	1.2	0.2	1.1	4.79
		40	41	1	48.6	0.02	0.004	1.2	0.7	1.1	8.22
Phase 2	CHRC186	23	35	12	47.8	0.08	0.002	1.3	0.5	0.9	4.13
	includes	24	27	3	50.8	0.08	0.003	0.9	0.1	0.8	2.38
	includes	33	35	2	57.0	0.09	0.001	0.6	1.5	0.6	2.65
Phase 2	CHRC187	42	47	5	54.5	0.03	0.001	0.6	0.9	1.7	4.76
		70	76	6	42.7	0.01	0.001	1.2	0.3	1.5	11.66
Phase 2	CHRC188	74	75	1	58.9	0.03	0.001	0.8	1.2	1.0	3.39
		99	100	1	53.2	0.00	0.002	0.1	0.2	1.8	7.60
		108	110	2	55.4	0.04	0.004	0.8	1.5	0.7	5.29
Phase 2	CHRC189	47	50	3	54.2	0.00	0.002	0.2	0.0	1.5	4.94
Phase 2	CHRC190	73	76	3	40.6	0.09	0.010	0.5	3.3	1.7	11.34
		99	101	2	45.7	0.04	0.002	0.6	2.0	1.3	9.48
		113	117	4	56.5	0.02	0.001	0.5	1.1	1.3	5.68
Phase 2	CHRC200	135	139	4	42.4	0.08	0.010	0.7	3.4	2.1	10.52
		142	143	1	42.1	0.06	0.004	1.3	2.5	1.0	10.50
Phase 2	CHRC201	110	111	1	47.9	0.00	0.001	1.5	0.1	1.2	8.26
Phase 2	CHRC202	48	54	6	53.9	0.02	0.001	1.1	0.9	1.1	5.44

Table 2: Phase 2 drillhole results greater than 40% Fe

The iron content is more variable than in the Phase 1 area and high grade zones are generally narrower.

Following the finalisation of the down-hole orientation survey, the drilling data will be modelled to produce a Phase 2 resource, which is expected to be available next quarter.

As part of ongoing exploration efforts, additional holes were also drilled to the east of the Phase 2 area, these have been called Phase 3, and are shown below. Results from the Phase 3 drilling again demonstrate the strike continuity and high grade nature of the magnetite mineralisation.

Area	Hole	From (m)	To (m)	Interval (m)	Fe (%)	Cu (%)	Au (ppm)	P (%)	S (%)	Al (%)	Si (%)
Phase 3	CHRC193	36	38	2	47.1	0.02	0.001	1.0	0.0	1.4	6.48
		60	61	1	43.4	0.07	1.000	1.6	2.9	1.8	7.85
		75	84	9	42.5	0.01	0.001	1.4	0.3	1.8	10.71
		116	120	4	47.0	0.03	0.001	1.1	0.8	1.9	7.92
Phase 3	CHRC194	29	45	16	51.0	0.08	0.002	0.4	0.0	1.6	4.09
		51	52	1	52.9	0.00	0.001	0.9	0.0	1.4	5.25
		56	63	7	44.0	0.00	0.001	1.1	0.0	1.4	8.63
Phase 3	CHRC203	78	80	2	55.2	0.03	0.001	0.4	1.2	1.3	5.66
		93	98	5	40.7	0.04	0.001	0.9	1.5	2.5	10.44
Phase 3	CHRC204	49	53	4	47.4	0.06	0.001	1.3	1.3	1.4	5.64

Table 3: Phase 3 drillhole results greater than 40% Fe

Over the next few months sterilisation drilling will commence in the area of the Phase 1 initial pits and waste dumps where previous geophysical or geochemical exploration has identified untested anomalies.

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Information in this public report relating to exploration results is based on data compiled by Bianca Manzi who is a Member of the Australian Institute of Geoscientists, and who is a full-time employee of the Company. Bianca Manzi has sufficient relevant experience to qualify as a Competent Person under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Bianca Manzi consents to the inclusion of the data in the form and context in which it appears.

About IMX Resources NL

IMX Resources NL (ASX:IXR) – is headquartered in Perth, Western Australia, is listed on the Australian Stock Exchange (ASX) with a current market capitalisation of approximately $85m.

IMX Resources is an active diversified mining company with projects in South Australia, Tasmania and Tanzania, East Africa, focusing on a range of commodities including iron-ore, nickel, gold, copper, platinum and uranium.

The company is disciplined in following a careful strategy to maximise shareholder value by discovering and developing ore bodies. IMX Resources achieves this by participating in multiple, quality exploration projects in joint ventures with global mining companies, and by listing spin-off companies, to ensure programs with high potential are well-funded, while retaining a significant interest to provide exposure for IMX Resources shareholders. In 2008 it is anticipated that IMX Resources shareholders will have leverage to approximately $17m of exploration, with IMX Resources contributing around $1.5m.

IMX Resources 100%-owned project is Cairn Hill, 55 kilometres south-east of Coober Pedy, South Australia. This unique magnetite Fe – Cu – Au project is close to the Darwin to Adelaide railway line. Phase 1, which is currently under development, is a DSO magnetite project, studies indicate this project has excellent rates of return. Testwork indicates that the ore produces a premium coarse grained magnetite product, with a clean saleable Cu / Au concentrate. IMX Resources has a three year sales offtake agreement with Jilin Tonghua Iron & Steel (Group) Mining Co Ltd for the DSO magnetite production. Beyond Phase 1, testwork has been completed for Phase 2 of the project targeted at producing a premium grade magnetite concentrate. Phase 3 is focussed on the 90% of the 40km of magnetic anomalies remain largely undrilled. The upside for Cairn Hill remains the definition of further resources to support a long term 3-5mtpa operation.

In Tanzania, Lonmin Plc is earning interest in IMX Resources Mibango platinum joint ventures. Lonmin currently funds and operates the exploration at Mibango.

IMX Resources spun off 70% of the Nachingwea Nickel - Copper project in Tanzania into a Continental Nickel Limited (TSXV:CNI) in August 2007. IMX Resources currently holds 47.3% of Continental Nickel and retains a 30% free carried interest in the Nachingwea Nickel - Copper project through a joint venture company structure.

IMX Resources owns 39.5% of Uranex (ASX:UNX), a spin-off company from IMX Resources, which listed on the ASX in October 2005 and is dedicated uranium company with assets in Australia and Tanzania.

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