IMX RESOURCES LTD

ABN 67 009 129 560

Annual Financial Report

for the year ended 30 June 2009

Corporate Information

ABN 67 009 129 560

Directors
J C Jooste-Jacobs (Non-Executive Chairman)
D R McBain (Managing Director)
S B Hunt (Non-Executive Director)
A J Haggarty (Non-Executive Director)
Cao Xiangkui (Non-Executive Director)

Company Secretary
K G France

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Level 2, Unit 18, 100 Railway Road
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Tel +61 8 9388 7877
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Solicitors
Mizen + Mizen
69 Mount Street
WEST PERTH WA 6005

Bankers
Commonwealth Bank of Australia Limited
Bank of Western Australia Limited
National Bank of Commerce Limited (Tanzania)
The Hongkong and Shanghai Banking Corporation Limited (India)

Share Register
Security Transfer Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153
Telephone: (08) 9315 0933
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WEST PERTH WA 6005

Internet Address
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ASX Code
IXR

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Directors' Report

The Board of Directors of IMX Resources Ltd (IMX) have pleasure in presenting their report on the Company and its controlled entities for the year ended 30 June 2009.

The names and particulars of the qualifications, experience and special responsibility of the director's in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Johann Christiaan Jooste-Jacobs, B.Acc., MBL., FCA, FAICD

Non Executive Chairman – Age 55 (appointed 12 August 2007)

Johann Jacobs has over 25 years experience associated with the resources industry where he has managed established companies, acquisitions, expansions or start-up mining operations in Australia, South Africa and Indonesia. His more recent roles have included Managing Director of the ASX-listed coal producer CIM Resources Ltd, and Managing Director of the ASX-listed mineral sand developer Australian Zircon NL, where he continues as a Non Executive Director. Mr Jacobs holds various directorships in private resource focused companies active in Australia and internationally. On 16 August 2007 he was appointed as a director of Sphere Resources Inc, a company listed on the TSX, Canada, and on 4 August 2009 he was appointed as an alternate director in Uranex NL. He was appointed a member of the audit and risk committee on 11 September 2007 and Chairman of the nomination and remuneration committee on 1 August 2008.

Duncan Robert McBain, B.Sc.(Hons) Geology

Managing Director - Age 56 (appointed 30 March 2006)

(Chairman appointed 30 March 2006 resigned 12 August 2007)

Duncan McBain has over 30 years experience associated with the resources industry in geological and analyst roles over a wide range of commodities working in Africa, Australasia and Asia. Most recently he was a Director, Corporate Finance, with Patersons Securities with whom he spent 10 years as a resource specialist. Prior to joining Patersons Securities he worked for 15 years for various Rio Tinto Group companies including Bougainville Copper, An Mau Steel and Kembla Coal & Coke. He resigned as a member of the audit committee on 11 September 2007.

In the past 3 years Mr McBain has been a director of Uranex NL 13 August 2007, but resigned 15 August 2007 when he became aware that a potential conflict of interest could arise. Mr McBain was appointed a director of Colonial Resources Ltd on 6 December 2006 and resigned on 30 June 2008.

Stephen Brian Hunt, B.Bus (Mktng)

Non-Executive Director - Age 47 (appointed 3 July 2007)

Stephen Hunt has more than 20 years experience in the minerals marketing industry, 16 of which were gained at BHP. He was a director of Australian Zircon NL until 28 April 2006, and has directorships in private resource focussed companies. Mr Hunt has not held a directorship in any other listed entity in the past three years. He was appointed a member of the audit and risk committee on 11 September 2007 and a member of the nomination and remuneration committee on 1 August 2008.

Anthony James Haggarty, MCom, ASA, FAICD

Non-Executive Director - Age 51 (appointed 29 January 2008)

Tony has over 30 years experience in the development, management and financing of mining projects. He was a co-founder and the Managing Director of Excel Coal Limited from 1993 to late-2006. Prior to this he worked for BP Coal and BP Finance in Sydney and London, and for Agipcoal as the Managing Director of its Australian subsidiary. He is the non-executive Chairman of King Island Scheelite Limited and Managing Director of Whitehaven Coal Limited. He was appointed Chairman of the audit and risk committee on 23 April 2008 and a member of the nomination and remuneration committee on 1 August 2008.

Cao Xiangkui, MBA

Non-Executive Director - Age 41 (appointed 12 March 2008)

Mr Cao has considerable experience in steel manufacturing and is Vice President of IMX's recently acquired off-take partner and largest shareholder, Jilin Tonghua Iron & Steel (Group) Mining Co Ltd (Tonghua Mining).

Mr Cao has worked for the Jilin Tonghua Iron & Steel Group for 20 years in a variety of roles ranging from environmental technician, Deputy Chief of No 3 Steel Making Plant at the Tonghua steelworks, Secretary of Board of Directors, and Director of Investment Department. Mr Cao was recently appointed Vice President of Jilin Tonghua Iron & Steel Group Mining Co. Ltd.

Directors' Report

Company Secretary

Kimberley Graeme France, BCom, CPA, FCIS (appointed 3 July 2007)

Kim France has over thirty years experience in Accounting and Finance mainly in managerial roles. He is also the Chief Financial Officer and continues in that role.

Interests in the shares and options of the Company and related bodies corporate

As at the date of this report, the interests of the directors in the shares and options of IMX were:

	Fully Paid Ordinary Shares	Options
J C Jooste-Jacobs	**908,500**	**2,100,000**
D R McBain	**265,181**	**3,750,000**
S B Hunt	**150,000**	**1,550,000**
A J Haggarty	**7,074,522**	**1,550,000**
Cao Xiangkui	**-**	**500,000**

Indemnifying Officer or Auditor

During the year the Company arranged insurance cover and paid a premium for directors in respect of indemnity against third party liability. In accordance with the terms and conditions of the insurance policy, the amount of the premium paid has not been disclosed on the basis of confidentiality, which is permitted under Section (9) of the Corporations Act 2001.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred by an officer or auditor.

CORPORATE INFORMATION

IMX is a Company limited by shares that is incorporated and domiciled in Australia. On 11 November 2008, IMX converted from a No Liability status.

Nature of operations and principal activities

The principal activities of the Group during the year were prospecting and exploration for minerals. Following the granting of a mineral lease over its South Australian iron ore interests on 18 April 2008 the Group entered a mine development phase of its Cairn Hill Phase 1 project. This development was suspended following the impact of the global financial crisis and the inability to access debt financing. Development will recommence once:

- final approvals have been obtained;
- revalidation of the economic viability of the project;
- requisite appropriate financing has been secured.

Employees

The Company had 16 employees as at 30 June 2009.

Directors' Report

Review of Operations

Australia

Despite the turmoil in commodity and financial markets, IMX has been active on a number of fronts.

Cairn Hill – Phase 1

At Cairn Hill, 55km south east of Coober Pedy, South Australia, the Company has progressed its magnetite - copper - gold resource/reserve. IMX has completed feasibility work and is currently moving towards mining the deposit (CH phase 1). All site permits have now been received, with the shipping licence the last approval required.

Given the challenging economic climate, IMX instigated a review process for Cairn Hill to investigate alternative options to optimise the project. One of the outcomes was a decision to ship ore through Adelaide rather than Darwin which has reduced the capital costs from $53m to $17m, and will enable the Company to ship 1.7mtpa of ore up from 1.3mtpa. Subject to finance and a revalidation of the economic viability of the project, the first shipment should be achievable 4 months after the approval of the shipping licence to export the ore through Adelaide. Operating cost optimisation is on going.

IMX continues to seek appropriate funding for the development of Cairn Hill. While the downturn in the steel industry impacted discussions earlier in the year, more recently there has been renewed interest.

Cairn Hill – Phases 2 and 3

During the year, RC drilling of the Cairn Hill Phase 2 and 3 areas to the east of the proposed mine demonstrated the strike continuity and high grade nature of the massive magnetite mineralisation with multiple, coarse, high grade iron intervals intersected. Unlike the Cairn Hill Phase 1, no copper or gold mineralisation is associated with the Phase 2 and 3 magnetite mineralisation. Preliminary metallurgical testwork indicates that it is possible to produce a premium quality magnetite concentrate with very low levels of impurities at an exceptionally coarse grain size (500 µm). Further optimisation testwork is planned as part of the feasibility study for Phase 2.

To date less than 10% of the potential magnetite horizon identified from detailed aeromagnetics has been drill tested. A reconnaissance drilling program on Phase 3 commenced in late July to delineate the mineralisation.

The potential of the Mt Woods project in South Australia was further enhanced during the year with additional anomalous RC intersections recorded at the Iron Ore Copper Gold (IOCG) discovery at Black Hills where up to 7m @ 0.38% Cu and 0.25g/t Au, including 1m @ 1.12% Cu and 0.75 g/t Au was recorded. In addition, a number of new IOCG and Tennant Creek Style Cu–Au targets have been delineated by ground surveys which include time domain dipole-dipole inverse polarisation (IP), gravity and surface geochemical sampling. Of note are a number of combined magnetic, detailed gravity and IP anomalies at Aquila, Black Hills, Snaefell and several other targets along the Phase 3 zone that extends for about 25 km. A regional RC drilling programme testing these targets is currently underway.

Tanzania

At the Nachingwea Nickel-Copper massive sulphide joint venture project in Tanzania, IMX (30%) and project partner/manager TSXV listed Continental Nickel Ltd (CNI: 70%), completed a $CDN 7.0 million exploration programme. IMX has a 47.3% holding in CNI. The exploration programme was designed to follow-up high grade 2007 nickel-copper drill results including 17.41% Ni and 3.27% Cu over 1.60 m in the Ntaka intrusion, in order to define a NI 43-101 resource. In addition, new high priority EM targets from the 2007 VTEM survey and new regional nickel-copper sulphide exploration targets were also explored and developed.

A total of 15,573m of exploration and resource diamond drilling was completed along with a regional 5,691 line km helicopter-borne b-field VTEM survey, and ground TDEM surveys. The program was extremely successful with high grade massive-nickel sulphides intersected from multiple areas at Ntaka including NAD013, J, L, M, H, I, G and K zones. Best intersections included 17.41% Ni and 3.27% Cu over 1.60m at NAD013 zone, 14.11% Ni and 1.74% Cu over 2.60m from zone L, 15.96% Ni and 1.33% Cu over 2.45m at H zone, 3.00% Ni and 0.20% Cu over 13.00m at zone J, and 5.08% Ni and 0.71% Cu over 3.00m at M zone.

A measured and indicated NI 43-101 mineral resource of **1.13mt at 2.43% Ni, 0.40% Cu and 0.06% Co** at a US$100/t NSR cut-off containing a total of 61.0 million pounds of nickel metal was estimated from six separate, near surface, sulphide zones (G, H, J, L, M and NAD013) at Ntaka Hill. At a lower cut off of US$23/t NSR the calculated measured, indicated and inferred mineral resource is **3.16mt at 1.29% Ni, 0.24% Cu and 0.04% Co** containing a total of 89.9 million pounds of nickel metal. The Mineral Resource estimate was completed by Scott Wilson Roscoe Postle Associates Inc. (Scott Wilson RPA) of Toronto, Ontario. The estimate is based on data obtained from 179 drill holes totalling 26,981 metres which delineated the various sulphide zones at nominal 25 to 100 metres drill spacing.

Regionally, ten diamond holes for 2,183 metres were drilled testing new targets identified from 2007 VTEM surveys on two regional areas outside of the Ntaka Intrusion. At the Lihonja target, ultramafic rocks were intersected in five of the seven holes drilled with anomalous nickel and copper up to 0.54% and 0.18% respectively, intersected. Follow up downhole EM (BHEM) surveys detected a large and strongly conductive EM anomaly below the depth of current drilling, which will be tested during the 2009 field season.

Modelling and interpretation of the new 2008 regional airborne magnetics and VTEM survey data has identified a further 28 high priority VTEM anomalies to be evaluated during the 2009 field season. At Nambugu 18km northeast of Ntaka, a VTEM anomaly with a strike greater than 2.5km long, and a strong b-field response, coincident with a 100nT magnetic high has been identified. This priority anomaly will be followed up in 2009.

At the Mibango Nickel - Platinum Group Metals (PGM) Project in western Tanzania, project manager and joint venture partner Lonmin Plc (Lonmin) withdrew from the Mibango joint venture on completion of the 2008 field season. Management and 100% ownership of the Mibango project was returned to IMX.

Massive sulphide Ni-PGM exploration at Mibango during the year comprised a US$4.9 million core drilling and ground geophysical programme focussed on testing highly conductive basement EM anomalies defined in the 2007 airborne VTEM survey. A total of 6,215 metres of diamond drilling was completed at Maswe, Mwese, Busonawe, and Kapalagulu. The prospectivity of the region was highlighted by the intersection of PGM, Ni and Cu mineralisation.

At Maswe drilling of a combined EM and geochemical anomaly intersected semi-massive sulphide veins with best results including 1.5m at 0.73% Cu and up to 0.5m at 0.56g/t Pt+Pd+Au. The Maswe Complex is a differentiated layered mafic intrusion that has potential to host low sulphide PGE and chromite bearing reefs.

Exploration at the Kapalagulu Layered Intrusion focused on following up previously identified VTEM anomalies such as the VTEM 1B and MC6 targets (first drilled 2006). Massive sulphide veins were intersected at both areas with VTEM 1B returning 0.60m at 6.25g/t Pt+Pd+Au, 10.55% Cu, 0.15% Co and 4.78% Ni, and MC6 0.20m at 7.06% Ni, 0.18% Cu and 1.02g/t Pt+Pd+Au. The targets while narrow, provides encouragement for the mineral potential of the district.

Following the withdrawal of Lonmin from the Mibango project, IMX completed a detailed review of the project data to evaluate the prospectivity of the licences for Ni, Cu and PGM's. Based on the positive results of this review, IMX made the decision to fund and manage exploration at the Mibango project for the 2009 field season. The Company believes the area contains significant untested nickel potential within the right tectonic setting and has initiated a regional exploration program focussed on evaluating and ground truthing the numerous regional targets identified from the combination of VTEM, magnetics, radiometrics and geology collected in the project area to date. The program is currently underway.

Exploration at the Luwumbu Ni-PGM joint venture in Tanzania, IMX (91%) and Albidon (9%), comprised regional geological mapping, relogging of diamond core and a detailed review of the existing project data. Results of the review and fieldwork downgraded the prospectivity of the project, and the Company took the decision to cease exploration operations. No further work will be conducted in this region and tenements are in the process of being relinquished.

Other

Nickel exploration has been active during the year with reconnaissance sampling and geophysical surveying underway at two prospects in Mozambique and RC drilling in Tasmania.

Initial 2007 field work at Cabo Delgado in northern Mozambique identified anomalous geochemistry associated with ultramafic rocks in a layered mafic complex (10.2% Cr, 10.0ppm Pd and 0.33ppm Pt). During the year geological mapping was conducted in order to define the size of the complex, and to ground truth other interpreted mafic targets. Rock outcrops were found to be rare and restricted to deeply incised valleys. As a consequence a 1600 line km magnetic and radiometric survey was planned and is currently in progress.

In northwestern Mozambique, reconnaissance Ni-Cu PGE exploration targeted an 80km long corridor of interpreted mafic/ultramafic intrusions. Geological mapping and rock sampling confirmed the presence of ultramafic bodies within the IMX licences, and also highlighted the potential of finding additional 'misidentified' ultramafic lithologies in the region.

Nickel exploration in northwest Tasmania comprised geophysical modeling and RC drill testing of conductor anomalies identified from the 2008 VTEM survey at West Montague and Dunns. All drill holes were abandoned before target depths were reached due to a combination of poor sample returns, ground and weather conditions. Although no VTEM anomalies were tested by the drilling, portable XRF analyses of a Ni-Cr rich basic intrusion exposed by currently active forestry logging, has confirmed the presence of favourable mafic lithologies at Dunns. In addition, XRF analyses of downhole samples indicate that the siltstones of the overlying Keppel Creek Formation could be a potential sulphur source for mineralisation in basic –ultrabasic intrusions for the area. Drilling is scheduled to re-commence in late 2009.

The Dingo Well gold project in Western Australia was re-activated in late June with the granting of 1 exploration, and 7 prospecting licences after a hiatus of 12 years. The granting of reverted exploration and prospecting licences, re-activated a joint venture agreement between IMX and Regis Resources Limited (Regis; formerly Johnsons Well Mining NL), which has been dormant since late 1996 when the former exploration licence 37/264 underwent compulsory conversion to mining licence applications in order to retain the area. Regis notified the Company of their withdrawal from the historical joint venture, hence IMX are now in the process of reassessing the mineral potential of the area and developing a strategy for exploration.

During the year no progress was made advancing the 16 Reconnaissance Permit Applications to new Ni-PGM prospective areas in

Directors' Report

India.

In March IMX sold the royalty it held over the Four Mile Uranium project to Anglo Pacific Plc for $6m before costs. This has enabled IMX to continue an active exploration program and progress the development of Cairn Hill without seeking more funds from shareholders.

Information in this 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.

Environmental Regulation

The Group's exploration activities and those of its farm-in partners in both Australia and overseas are subject to environmental regulations and guidelines operating in the licence area. Failure to meet environmental conditions attaching to the Group's mining tenements could lead to forfeiture of the tenements. The Group is committed to achieving a high standard of environmental performance. No environmental breaches have occurred or have been notified by any Government agencies during the year ended 30 June 2009.

OPERATING AND FINANCIAL REVIEW

Operating Results for the Year

The operating profit after income tax of the Company for the year ended 30 June 2009 was $279,592 (2008: Loss $4,973,979). Included in this profit figure is $2,310,089 (2008: $4,498,016) of exploration expenditure written off and $1,639,652 abandoned infrastructure costs written off (2008: Nil). Refer notes to the financial statements note 1(f).

Summarised operating results are as follows:

	2009	
	Revenues $	Results $
Geographic segment		
Australia	**6,816,139**	**445,262**
Tanzania	**3**	**(142,484)**
Mozambique	**-**	**(16,923)**
India	**-**	**(6,263)**
Revenues and loss from ordinary activities before income tax expense	**6,816,142**	**279,592**

Revenue includes research and development income tax rebate of $581,973.

During the year, as described in the review of operations, the Group is progressing on a number of fronts including exploration in Australia, Tanzania and Mozambique as well as continuing development of the Cairn Hill Project.

All of these activities have been self funded with major cash expenditures including exploration $2,213,008 and development and capital costs of the Cairn Hill Project of $13,225,464. Offsetting these were net proceeds from the Four Mile Royalty of $5,463,646 contributing to a net decrease in cash of $10,891,948.

In the previous financial year, the Group reclassified its listed investments as available for sale. At the 30 June 2009, the value of these were $29,372,172, reflecting a decrease in value in the 6 months to 31 December 2008 of $36,662,677 from $48,629,566 due to the global economic crisis and a subsequent recovery in the second half of $17,405,283.

Directors' Report

Shareholder Returns

	2009	2008
Basic profit / (loss) per share (cents)	**0.2**	**(3.0)**
Diluted profit / (loss) per share (cents)	**0.2**	**(3.0)**

Dividends

Up until the date of this report, no dividend has been declared or paid by the Company and the directors do not recommend payment of a dividend.

Risk Management

The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the Board.

The Board believes that it is crucial for all Board members to be a part of this process. Nevertheless the Board has included risk management as part of the responsibilities of the Audit and Risk Committee.

Economic Risks

General economic conditions, movements in interest and inflation rates, commodity prices and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded there is a risk that tenements may have to be surrendered or not renewed.

Further, share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors which may include:

(a) general economic outlook;
(b) interest rates and inflation rates;
(c) currency fluctuations;
(d) commodity prices;
(e) changes in investor sentiment toward particular market sectors;
(f) the demand for, and supply of, capital; and
(g) terrorism or other hostilities.

Market Conditions

The market price of shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Exploration Success

The mineral tenements of the Company are at various stages of exploration and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the tenements currently held by the Company, or any other tenements that may be acquired in the future by the Company, will result in the discovery of an economic mineral deposit.

Operating Risks

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration or mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

Political Risk, Commodity Price Volatility and Exchange Rates Risks

The Company has exploration activities in Australia, Tanzania and Mozambique and is establishing exploration activities in India. Each of these countries has national and regional political jurisdictions. No assurances can be given that exploration activities in those countries will continue to be supported by the current or subsequent regimes.

In the event that the Company achieves exploration success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for minerals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

Environmental Risks

The operations and proposed activities of the Company are subject to both Australian State and Federal laws and regulations and Tanzanian, Indian, Mozambique and Canadian laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds.

It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Nevertheless, there are certain risks inherent in the Company's activities including accidental leakages, spills, or other unforeseen circumstances which could subject the Company to extensive liability.

Title Risks and Native Title

Interest in tenements in Australia, Tanzania and Mozambique are governed by the respective country and state legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments as and when they arise.

It is also possible that, in relation to the Australian tenements in which the Company has an interest or will in the future acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Group during the financial year were as follows:

	2009
	$
(a) An increase in contributed capital of $137,250 (from $61,644,504 to $61,781,754) as a result of:	
Issue of 200,000 ordinary fully paid shares at 49 cents as consideration for entering into a Mining Native Title Agreement	**98,000**
Issue of 125,000 ordinary fully paid shares at 29 cents as consideration for entering into a Mining Native Title Agreement	**36,250**
Cancellation of forfeited partly paid shares	**3,000**

Net cash received in the above increase in contributed capital was nil

Directors' Report

(b) On 10 August 2008, Termite Resources NL entered into a "Long Term Purchase and Sales Contract for Iron and Copper Ore" with the Tonghua Mining group of China, committing to whom the ore from the first 3 years of production from the Cairn Hill phase 1 deposit.This follows the execution of a "Co-operation Heads of Agreement" entered into on 15 December 2007.

(c) On 20 March 2009 the Company entered into a Royalty Sale Agreement whereby it sold it's 1% royalty interest (Four Mile Royalty) in EL2874 (Gawler and Curnamona) for $6,000,000 before costs.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 29 July 2009 the Company cancelled 360,000 expired options which had not been exercised.

On 29 July 2009 the Company issued 500,000 options to employees as a condition of their employment at an exercise price of 49 cents and expiring 29 July 2014.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

In the opinion of the Directors, there is nothing else to report, except as reported in the Director's Report, which relates to likely developments in the operations of the Group and the expected results of those operations in financial periods subsequent to 30 June 2009.

OPTIONS

At the date of this report there are 11,200,000 options issued under the IMX Share and Option Incentive Plan and 300,000 other options.

	Number of Options
Balance at the beginning of the year	**5,960,000**
Options issued during the year	**5,400,000**
Total number of options issued at 30 June 2009	**11,360,000**
Issued subsequent to year end	500,000
Expired subsequent to year end	(360,000)
Total number of options issued at the date of this report	**11,500,000**

The balance is comprised of the following:

Number	**Grant Date**	**Expiry Date**	**Exercise Price**
3,100,000	21 December 2007	21 December 2012	50 cents
600,000	21 December 2007	21 December 2012	53 cents
1,000,000	25 June 2008	25 June 2013	53 cents
1,200,000	25 June 2008	25 June 2013	56 cents
2,300,000	4 November 2008	3 November 2013	52 cents
2,800,000	4 November 2008	3 November 2013	56.8 cents
500,000	29 July 2009	29 July 2014	49 cents

PARTLY PAID SHARES

A prerequisite of a No Liability company changing status to a company limited by shares is that it has no partly paid shares on issue at the time of conversion. On 29 October 2008, the company sought and was granted authority from shareholders to cancel 850,000 forfeited partly paid shares.

	Number of Partly Paid Shares
Balance at the beginning of the year	**850,000**
Partly Paid Shares cancelled during the year	**(850,000)**
Total number of partly paid shares issued at the date of this report	**Nil**

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Consolidated Entity paid insurance premiums in respect of directors' and officers' liability insurance in line with industry norms. Disclosure of the nature of the liability and the extent of the premium is prohibited by the confidentiality clause of the contract of insurance.

REMUNERATION REPORT - AUDITED

This report outlines the remuneration arrangements in place for Directors and Executives receiving the highest remuneration of the Group.

Remuneration policy

The Board recognises that the performance of the Company depends upon the quality of its directors and executives. To achieve its operating and financial activities the Company must attract, motivate and retain highly skilled directors and executives.

The Company's policy for determining the nature and amount of emoluments of Board members and executives of the Company is assessed from time to time with reference to the mineral exploration industry market place and not directly linked to the Company's performance.

All directors and executives receive a superannuation guarantee contribution required by the government, which is currently 9% and do not receive any other retirement benefits.

Executives are also entitled to participate in the employee share and option incentive scheme. All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Options are valued using the Black Scholes methodology.

The board policy is to remunerate non executive directors at market rates for comparable companies for time, commitment and responsibilities. The board determines payments to the non executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non executive directors is subject to approval by shareholders at the Annual General Meeting (currently $500,000). Fees for non executive directors are not linked to the performance of the Group. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and are also able to participate in the Company's Employee Share and Option Incentive Plan.

On 22 October 2007, IMX terminated the Employee Share Investment Plan. On 27 November 2007, shareholders adopted the Employee Share and Option Incentive Plan and subsequently authorised amendments to the plan on 25 June 2008.

Performance based remuneration

The Company currently has no performance based remuneration component built into director and executive remuneration packages. No performance based bonuses have been paid to executive directors during the financial year. Performance based bonuses paid to executives are shown in the remuneration report.

Company performance, shareholder wealth and directors' and executives' remuneration

The remuneration policy has been tailored to increase good congruence between shareholders, directors and executives. Currently this is facilitated through the issue of options to directors, and executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth.

Nomination and remuneration committee

The nomination and remuneration committee was formed on 1 August 2008. The committee reviews and makes recommendations to the board on remuneration packages and policies applicable to the executive officers and directors themselves of the Company and of other Group executives for the Group.

The members of the remuneration committee are:

Mr J C Jooste-Jacobs (Chairperson) – Independent Non Executive

Mr S B Hunt – Non Executive

Mr A J Haggarty – Independent Non Executive

The board policy is that the nomination and remuneration committee will comprise entirely of independent non executive directors where possible. The managing director, Mr D R McBain, is invited to committee meetings, as required, to discuss senior executives' performance and remuneration packages but does not attend meetings involving matters pertaining to him. Nomination and remuneration committee meetings are detailed on page 17.

Directors' Benefits

During or since the financial year, no director of the Company has received or become entitled to receive a benefit, other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors shown in the consolidated accounts, by reason of a contract entered into by the Company or an entity that the Company controlled or a body corporate that was related to the Company when the contract was made or when the director received, or became entitled to receive, the benefit with:

- a director, or
- a firm of which a director is a member, or
- an entity in which a director has substantial financial interest,

except the usual professional fees for their services paid by the Company.

Full details are provided in Note 19(d) - Related Party Transactions.

Directors' Report

Employment Contracts

	Position held as at 30 June 2009 and any change during the year	Contract details (duration and termination)	Proportion of elements of remuneration related to performance			Proportion of elements not related to performance	
			Non-salary cash-based incentives	Shares/ Units	Options/ Rights	Fixed salary/ Fees	Total
			%	%	%	%	%
Mr D R McBain	Managing Director	No contract[1]	-	-	-	100	100
Ms B Manzi	Exploration Manager	Rolling contract 4 weeks notice of termination	-	-	-	100	100
Mr K G France	Company Secretary / Chief Financial Officer	No contract	-	-	-	100	100
Mr S R Parsons	General Manager – Cairn Hill Project	Rolling contract from 15 July 2008. 8 weeks notice of termination	-	-	-	100	100

1 Refer to note 19(b)

Directors' Report

2009	Short Term		Post Employment	Other Long Term	Share Based Payments	Total	Performance Based	Proportion of Remuneration Performance Related	Value of Options as a Proportion of Remuneration
	Salary & Fees	Non Monetary	Superannuation		Options		Bonus		
	$	$	$	$	$	$	$	%	%
Directors									
J C Jooste-Jacobs	82,825	4,338	-	-	79,159	166,322	-	-	47.6
D R McBain[1]	292,854	6,963	26,357	-	89,674	415,848	-	-	21.6
S B Hunt	47,310	4,338	-	-	75,655	127,303	-	-	59.4
A J Haggarty	47,310	4,338	-	-	75,655	127,303	-	-	59.4
Cao Xiangkui	47,310	4,338	-	-	-	51,648	-	-	-
Other key management personnel									
B Manzi[1]	152,232	4,597	14,417	3,980	8,207	183,433	-	-	4.5
K G France[1]	179,565	12,937	16,161	-	89,188	297,851	-	-	29.9
S R Parsons[1'2]	227,224	-	20,450	-	-	247,674	-	-	-
Total	1,076,630	41,849	77,385	3,980	417,538	1,617,382	-	-	-

[1] Salaries & fees and Superannuation include accrued, but not paid, leave
[2] Commenced 14 August 2008

Directors' Report

2008	Short Term		Post Employment	Other Long Term	Share Based Payments	Total	Performance Based	Proportion of Remuneration Performance Related	Value of Options as a Proportion of Remuneration
	Salary & Fees	Non Monetary	Superannuation		Options		Bonus		
	$	$	$	$	$	$	$	%	%
Directors									
J C Jooste-Jacobs	66,763	3,180	-	-	261,139	331,082	-	-	78.9
D R McBain	226,014	4,702	20,341	-	203,579	454,636	-	-	44.8
S B Hunt	39,240	3,180	-	-	120,474	162,894	-	-	74.0
A J Haggarty	16,494	1,560	-	-	105,330	123,384	-	-	85.4
Cao Xiangkui	10,935	1,200	-	-	105,330	117,465	-	-	89.7
T A Robson[1]	10,417	720	7,750	-	-	18,887	-	-	-
Other key management personnel									
B Manzi	143,500	6,545	14,339	-	-	164,384	15,820	9.6	-
K G France	169,122	10,601	16,699	-	76,630	273,052	16,427	6.0	28.1
C S MacDougall[2]	90,078	-	4,304	-	148,294	242,676	28,873	11.9	61.1
G A Hill[2]	66,954	-	3,689	-	32,954	103,597	11,549	11.1	31.9
Total	839,517	31,688	67,122	-	1,053,730	1,992,057	72,669	-	-

[1] Resigned 27 November 2007
[2] Officers of Continental Nickel Ltd which ceased being part of the group on 8 January 2008

Directors' Report

Compensation options – granted and vested during the year (Consolidated)

2009	Granted		Terms & Conditions for each Grant					Vested
	No.	Grant Date	Fair value per option at grant date	Exercise price per option	Expiry date	First exercise date	Last exercise date	No.
Directors								
J C Jooste-Jacobs	500,000	29 Oct 2008	27 cents	52 cents	3 Nov 2013	3 Nov 2008	3 Nov 2013	1,000,000
J C Jooste-Jacobs	600,000	29 Oct 2008	27 cents	56.8 cents	3 Nov 2013	3 Nov 2008	3 Nov 2013	1,000,000
D R McBain	500,000	29 Oct 2008	27 cents	52 cents	3 Nov 2013	3 Nov 2008	3 Nov 2013	1,500,000
D R McBain	750,000	29 Oct 2008	27 cents	56.8 cents	3 Nov 2013	3 Nov 2008	3 Nov 2013	1,000,000
S Hunt	500,000	29 Oct 2008	27 cents	52 cents	3 Nov 2013	3 Nov 2008	3 Nov 2013	300,000
S Hunt	550,000	29 Oct 2008	27 cents	56.8 cents	3 Nov 2013	3 Nov 2008	3 Nov 2013	200,000
A J Haggarty	500,000	29 Oct 2008	27 cents	52 cents	3 Nov 2013	3 Nov 2008	3 Nov 2013	500,000
A J Haggarty	550,000	29 Oct 2008	27 cents	56.8 cents	3 Nov 2013	3 Nov 2008	3 Nov 2013	500,000
Other KMP								
B Manzi	300,000	2 Oct 2008	39 cents	49 cents	13 Apr 2009	2 Oct 2008	13 Apr 2009	300,000
K G France	300,000	11 Sep 2008	40 cents	52 cents	3 Nov 2013	3 Nov 2008	3 Nov 2013	300,000
K G France	350,000	11 Sep 2008	40 cents	56.8 cents	3 Nov 2013	3 Nov 2008	3 Nov 2013	300,000

Options granted as part of remuneration

The total value of options granted as remuneration to the Directors and Key Management Personnel of IMX during the year was $1,578,500. The value attributable to those options that vested and the amount recognised as an expense during the year was $417,538. None of the above options were exercised or lapsed during the year.

There were no alterations to the terms and conditions of options granted as remuneration since their grant date.

END OF REMUNERATION REPORT

DIRECTORS' MEETINGS

The number of directors' meetings held (including meetings of committees of directors) and number of meetings attended by each of the directors of the Company during the financial year are:

	Directors' Meetings		Meetings of Committees: Audit and Risk		Meetings of Committees: Nomination and Remuneration	
	A	**B**	**A**	**B**	**A**	**B**
Number of meetings attended:						
J C Jooste-Jacobs	**15**	**15**	**3**	**3**	**2**	**2**
D R McBain	**15**	**15**	**-**	**-**	**-**	**-**
S B Hunt	**14**	**15**	**3**	**3**	**2**	**2**
A J Haggarty	**14**	**15**	**2**	**3**	**2**	**2**
Cao Xiangkui	**10**	**15**	**-**	**-**	**-**	**-**

Notes

A - Number of meetings attended.

B - Number of meetings held during the time the director held office during the year.

The audit and risk committee comprises A J Haggarty (Chairman – appointed 23 April 2008), J C Jooste-Jacobs (appointed 11 September 2007) and S B Hunt (appointed 11 September 2007).

The nomination and remuneration committee was formed on 1 August 2008 The committee comprises J C Jooste-Jacobs (Chairman), S B Hunt and A J Haggarty.

Directors' Report

ROUNDING

The amounts contained in this report and in the financial report have been rounded to the nearest $1 (where rounding is applicable) under the option available to the Company under ASIC Class Order 98/0100. The Company is an entity to which the Class Order applies.

AUDITOR INDEPENDENCE

The Auditor's Independence Declaration for the year ended 30 June 2009 has been received and is disclosed on page 53.

NON-AUDIT SERVICES

No non-audit services were provided by the Company Auditor, Stantons International.

This report is made in accordance with a resolution of the Directors.

D. R McBain

Managing Director
PERTH
24 September 2009

Corporate Governance Statements

The Board is responsible for the overall corporate governance of the Company and it recognises the need for the highest standards of ethical behaviour and accountability. The Board is committed to administering its corporate governance structures to promote integrity and responsible decision-making. To the extent that they are relevant to the organisation, the Company has, subject to the exceptions set out below, adopted the eight Corporate Governance Council "Corporate Governance Principles and Recommendations" released in August 2007 ("ASX Principles").

The Board of Directors

The Company's Constitution provides that the number of directors shall not be less than three or more than twelve. There is no requirement for any share holding qualification.

The Board of Directors of IMX is responsible for the corporate governance of the Group. The Board develops strategies for the Company, reviews strategic objectives, and monitors the performance against those objectives. The overall goals of the corporate governance process are to:

- drive shareholder value;
- assure a prudential and ethical base to the Company's conduct and activities; and
- ensure compliance with the Company's legal and regulatory obligations.

Consistent with these goals, the Board commits to the following responsibilities:

- to review the corporate, commercial and financial performance of the Company on a regular basis;
- to act on behalf of, and be accountable to, the Shareholders;
- to identify business risks and implement actions to manage those risks; and
- develop and implement management and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in Board discussions on a fully informed basis.

Election of Board members is substantially the province of the Shareholders in general meetings. However, subject thereto, the Company commits to the following principles:

- that the Board should comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business;
- that the principal criterion for the appointment of new Directors should be their ability to add value to the Company and its business.

The Company does not have a discrete nomination committee but rather a combined nomination and remuneration committee. In any event, the whole Board will meet to consider additional appointments to the Board.

The Board consists of one executive director and four non-executive directors. The consents in writing of each director are on file, and all directors have made all necessary disclosures relating to potential conflicts of interest. In addition there is a standing agenda item for each board meeting for disclosures of any changes. Details of the directors are set out in the Directors' Report.

The composition of the Board is reviewed on a regular basis to ensure that it has the appropriate mix of expertise and experience. Should it be necessary to appoint a new director, for whatever reason, appropriate candidates would be selected, with advice from an external consultant. The full board may then appoint the most suitable candidate, who must stand for re-election at the next Annual General Meeting, and be re-elected at three yearly intervals. No policy exists for the retirement of non-executive directors.

The responsibility for the operation and administration of the Group is delegated, by the board, to the Managing Director and the executive management team. The Board ensures that this team is appropriately qualified and experienced to discharge their responsibilities. The Board considers that currently, the size of the company doesn't warrant setting up formal performance assessment procedures but that this may change as the company moves into mining operations.

The role of the Board as set out above is consistent with ASX Principle 1.

Appointments to Other Boards

Directors are required to take into consideration any potential conflicts of interest when accepting appointments to other Boards.

Independent Professional Advice

Subject to the Chairman's prior approval (not to be unreasonably withheld), Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties. However, prior approval of the Chairman is required, and such approval shall not be unreasonably withheld.

Corporate Governance Statements

Remuneration Policies

The Company's policy for determining the nature and amount of emoluments of board members and senior executives of the Company is assessed annually at the end of each calendar year and are set by reference to the mineral exploration industry market place and are not directly linked to the Company's performance.

Directors, executives and consultants of the Group are also entitled to participate in the Company's Share and Option Incentive Plan. Details of the Plan are set out in Note 24(b) of the financial statements. The amount of remuneration for all directors and specific executives, including all monetary and non-monetary components are detailed in the Director's Report.

The Chairman reviews the performance of all Directors each year. Directors whose performance is unsatisfactory are asked to retire.

External Audit

The Company in general meeting is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors. Consistent with ASX Principle 6, the auditors are invited to attend and answer questions at the Company's Annual General Meeting.

Audit and Risk Committee

The main responsibilities of the audit and risk committee in respect of its audit responsibilities are to:

- review and report to the board on the annual report and financial statements;
- provide assurance to the board that it is receiving adequate, timely and reliable information;
- assist the board in reviewing effectiveness of the Group's internal control environment covering:
  - compliance with applicable laws and regulations
  - reliability of financial reporting.
- liaise with the external auditors and ensure that the annual audit and half-year review are conducted in an efficient manner; and

The audit and risk committee reviews the performance of the external auditors on an annual basis. The auditors are invited to attend committee meetings during the year to discuss the external audit plan, any significant problems that may arise, and to review the fees proposed for the audit work to be performed.

Any written matters raised by the auditors are discussed and dealt with at full board meetings. The auditors, by request, may attend audit and risk committee meetings and board meetings to discuss any matter that they believe warrants attention by the board. The auditors also attend shareholder meetings of the Group.

The audit and risk committee is consistent with ASX Principle 4.

Since the end of the financial year the audit and risk committee has met twice.

Corporate Governance Statements

Identification and Management of Risk

The Board's collective experience will enable accurate identification of the principal risks which may affect the Company's business. Management of these risks will be discussed by the Board at periodic (at least annual) strategic planning meetings. In addition, key operational risks and their management, will be recurring items for deliberation at Board meetings.

Determined areas of risk that are regularly considered at board meetings or reported on monthly include:

- performance and funding of exploration activities;
- budget control and asset protection;
- status of mineral tenements;
- sovereign risk and Native Title considerations; and
- continuous disclosure obligations.

The Company's practice is consistent with ASX Principle 7.

Ethical Standards

All directors and employees are expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Group.

Shareholder Communications

The board aims to ensure that shareholders and the financial markets are provided with full and timely information about its activities in a balanced and understandable way. Information is communicated to shareholders as follows:

- the internet web site: www.imxresources.com.au
- the Annual Report is distributed to all shareholders who have elected to receive one. In addition the Annual Report is available for viewing or download on the Australian Securities Exchange website www.asx.com.au or the group's website. The board ensures that the Annual Report includes relevant information about the operations of the Group during the year, changes in the state of affairs of the Group and details of future developments, in addition to other disclosures required by Corporations Act 2001;
- Quarterly Reports and half-yearly financial statements are lodged with the Australian Securities Exchange and copies are sent to any shareholder who requests them;
- any proposed major changes in the Group which may impact on the share ownership rights would be submitted to a vote of shareholders; and
- the board ensures that the continuous disclosure requirements of the Australian Securities Exchange are fully complied with, ensuring that shareholders are kept informed on significant events affecting the Group.

Continuous Review of Corporate Governance

Directors consider, on an ongoing basis, how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as directors of the Company. Such information must be sufficient from time to time in light of changing circumstances and economic conditions. The Directors recognise that mineral exploration is an inherently risky business and that operational strategies adopted should, notwithstanding, be directed towards improving or maintaining the net worth of the Company.

Unless otherwise stated, the Company complies with the 8 corporate governance principles.

Corporate Governance Statements

	ASX Principle	Status	Reference/comment
Principle 1:	**Lay solid foundations for management and oversight**		
1.3	Provide the information in *Guide to Reporting on Principle 1*	Complies (in part)	The Company has not conducted a formal performance evaluation of senior executives. It is proposed to do so prior to 31 March 2010 and thereafter annually.
Principle 2:	**Structure the board to add value**		
2.1	A majority of board members should be independent directors	Complies (in part)	The Company has two independent non executive and two other non executive directors and one executive director.
2.5	Provide the information indicated in *Guide to Reporting on Principle 2*	Complies (in part)	The skills and experience of directors are set out in the Company's Annual Report and on its website.
Principle 3:	**Promote ethical and responsible decision making**		
3.3	Provide the information indicated in *Guide to Reporting on Principle 3*	Complies (in part)	The Company has not, as yet, posted its codes of conduct or policies on its web site. Expected completion date by 30 September 2009.
Principle 4:	**Safeguard integrity in financial reporting**		
4.4	Provide the information indicated in *Guide to Reporting on Principle 4*	Complies (in part)	The Company has not, as yet, posted its audit and risk committee charter on its web site. Expected completion date by 30 September 2009.
Principle 5:	**Make timely and balanced disclosure**		
5.2	Provide the information indicated in *Guide to Reporting on Principle 5*	Complies (in part)	The Company has not, as yet, posted its continuous disclosure policy on its web site. Expected completion date by 30 September 2009.
Principle 6:	**Respect the rights of shareholders**		
6.2	Provide the information indicated in *Guide to Reporting on Principle 6*	Complies (in part)	The Company has not posted, as yet, its communications policy on its web site. Expected completion date by 30 September 2009.
Principle 7:	**Respect the rights of shareholders**		
7.4	Provide the information indicated in *Guide to Reporting on Principle 7*	Does not comply	The Company is transitioning from an explorer to an operator and its risk assessment policies and practices are in the process of being defined.
Principal 8:	**Remunerate fairly and responsibly**		
8.3	Provide the information indicated in *Guide to Reporting on Principle 7*	Complies (in part)	The Company has not posted its nomination and remuneration committee charter on its web site. Expected completion date by 30 September 2009.

Income Statements

YEAR ENDED 30 JUNE 2009	Notes	Consolidated		Parent Entity	
		2009	2008	2009	2008
		$	$	$	$
REVENUE FROM CONTINUING OPERATIONS					
Interest receivable from other persons		689,106	778,478	688,011	778,337
Net proceeds from sale of royalty rights		5,462,641	-	5,462,641	-
Net proceeds from sale of materials		10,880	-	-	-
Profit on deconsolidation on loss of subsidiary		-	1,126,666	-	-
Joint venture cost recovery		-	-	-	-
Government grant received		71,542	84,032	71,542	84,032
		6,234,169	1,989,176	6,222,194	862,369
EXPENDITURE					
Provision for non recovery of loans		-	-	1,528,325	(84,826)
Exploration expenditure written off	9	2,310,089	4,498,016	1,512,243	3,875,260
Mineral lease rental		-	250,400	-	-
Depreciation		197,759	62,555	112,856	58,249
Write down in investment in controlled entity		-	-	-	81
Fair value adjustment of investments		241,342	-	241,342	-
Salaries and wages		2,008,629	1,152,111	1,214,793	1,051,889
Rental expenses relating to operating leases		279,269	264,395	269,966	261,806
Write down abandoned civil works		1,639,652	-	-	-
Foreign exchange loss/(gain)		43,438	114,207	(700,192)	602,245
Interest paid		-	1	-	1
Employee share remuneration	24	417,538	883,103	417,538	883,103
Other expenses from ordinary activities		1,629,848	1,335,397	1,279,695	1,240,885
Office overheads recouped		(2,231,014)	(1,597,030)	(1,272,981)	(1,597,030)
		6,536,550	6,963,155	4,603,585	6,291,663
OPERATING PROFIT / (LOSS) BEFORE RELATED TAX BENEFIT		(302,381)	(4,973,979)	1,618,609	(5,429,294)
Research and development rebate		581,973	-	351,536	-
OPERATING PROFIT / (LOSS) BEFORE INCOME TAX		279,592	(4,973,979)	1,970,145	(5,429,294)
Income tax attributable to operating profit		-	-	-	-
NET PROFIT / (LOSS) ATTRIBUTABLE TO MEMBERS OF IMX		279,592	(4,973,979)	1,970,145	(5,429,294)
Basic profit / (loss) per share (cents per share)	17	0.2	(3.0)		
Diluted profit / (loss) per share (cents per share)	17	0.2	(3.0)		

The above Income Statements are to be read in conjunction with the Notes to the Financial Statements

Balance Sheets

AT 30 JUNE 2009	Notes	Consolidated		Parent Entity	
		2009	2008	2009	2008
		$	$	$	$
CURRENT ASSETS					
Cash and cash equivalents	14(b)	**7,658,517**	**18,546,754**	**7,650,066**	**18,537,202**
Trade and other receivables	6(a)	**448,003**	**1,237,752**	**103,065**	**1,118,515**
Other financial assets	7(a)	**124,499**	**169,959**	**124,499**	**169,959**
TOTAL CURRENT ASSETS		**8,231,019**	**19,954,465**	**7,877,630**	**19,825,676**
NON-CURRENT ASSETS					
Trade and other receivables	6(b)	**1,001,205**	**178,271**	**17,364,480**	**3,095,375**
Other financial assets	7(b)	**29,247,673**	**48,459,607**	**20,334,984**	**42,022,587**
Property, plant and equipment	8	**8,335,816**	**836,085**	**333,134**	**382,652**
Development expenditure	9(b)	**5,621,789**	**1,763,069**	**-**	**-**
TOTAL NON-CURRENT ASSETS		**44,206,483**	**51,237,032**	**38,032,598**	**45,500,614**
TOTAL ASSETS		**52,437,502**	**71,191,497**	**45,910,228**	**65,326,290**
CURRENT LIABILITIES					
Trade and other payables	10	**742,106**	**1,299,720**	**485,167**	**1,213,013**
Provisions	11(a)	**289,905**	**123,092**	**250,015**	**116,322**
TOTAL CURRENT LIABILITIES		**1,032,011**	**1,422,812**	**735,182**	**1,329,335**
NON-CURRENT LIABILITIES					
Provisions	11(b)	**364,581**	**26,317**	**39,581**	**26,317**
TOTAL NON-CURRENT LIABILITIES		**364,581**	**26,317**	**39,581**	**26,317**
TOTAL LIABILITIES		**1,396,592**	**1,449,129**	**774,763**	**1,355,652**
NET ASSETS		**51,040,910**	**69,742,368**	**45,135,465**	**63,970,638**
EQUITY					
Issued capital	12(a)	**61,781,754**	**61,644,504**	**61,781,754**	**61,644,504**
Reserves	13(a)	**31,203,371**	**50,321,671**	**22,493,087**	**43,435,655**
Accumulated losses	13(b)	**(41,944,215)**	**(42,223,807)**	**(39,139,376)**	**(41,109,521)**
TOTAL EQUITY		**51,040,910**	**69,742,368**	**45,135,465**	**63,970,638**

The above Balance Sheets are to be read in conjunction with the Notes to the Financial Statements.

Statements of Changes in Equity

YEAR ENDED 30 JUNE 2009	Notes	Consolidated		Parent Entity	
		2009	2008	2009	2008
		$	$	$	$
TOTAL EQUITY AT THE BEGINNING OF THE FINANCIAL YEAR		**69,742,368**	**7,478,017**	**63,970,638**	**8,680,157**
Change in Available for Sale Shares Reserve	13(a)	**(19,016,052)**	**48,316,712**	**(21,491,722)**	**41,714,712**
Change in Foreign Currency Reserve	13(a)	**(651,402)**	**(83,445)**	**-**	**-**
Change in Share Based Remuneration Reserve	13(a)	**549,154**	**883,103**	**549,154**	**883,103**
NET INCOME RECOGNISED DIRECTLY IN EQUITY		**(19,118,300)**	**49,116,370**	**(20,942,568)**	**42,597,815**
PROFIT / (LOSS) FOR THE YEAR		**279,592**	**(4,973,979)**	**1,970,145**	**(5,429,294)**
TOTAL RECOGNISED INCOME AND EXPENSE FOR THE YEAR ATTRIBUTABLE TO MEMBERS OF IMX		**(18,838,708)**	**44,142,391**	**(18,972,423)**	**37,168,521**
Transactions with equity holders in their capacity as equity holders:					
Shares issued during the year	12(b)	**137,250**	**13,934,900**	**137,250**	**13,934,900**
Partly paid shares converted to fully paid during the year		**-**	**4,187,060**	**-**	**4,187,060**
		137,250	**18,121,960**	**137,250**	**18,121,960**
TOTAL EQUITY AT THE END OF THE FINANCIAL YEAR		**51,040,910**	**69,742,368**	**45,135,465**	**63,970,638**

The above Statements of Changes in Equity are to be read in conjunction with the Notes to the Financial Statements

Statements of Cash Flows

YEAR ENDED 30 JUNE 2009	Notes	Consolidated		Parent Entity	
		2009	2008	2009	2008
		$	$	$	$
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments to suppliers and employees		**(2,219,523)**	**(2,009,988)**	**(964,871)**	**(1,519,485)**
Interest received		**753,629**	**699,065**	**753,389**	**698,924**
Interest Paid		**(1,603)**	**(1)**	**(1,603)**	**(1)**
Refund of research and development rebate		**351,536**	**103,799**	**351,536**	**103,799**
Government grant received		**71,542**	**83,709**	**71,542**	**83,709**
NET CASH FLOWS (USED IN)/ FROM OPERATING ACTIVITIES	14(a)	**(1,044,419)**	**(1,123,416)**	**209,993**	**(633,054)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Payment of exploration expenditure		**(2,213,008)**	**(5,112,657)**	**(1,441,874)**	**(4,422,675)**
Payment of development expenditure		**(3,909,517)**	**(1,105,200)**	**-**	**-**
Proceeds on sale of property, plant & equipment		**1,180**	**1,779**	**1,180**	**-**
Proceeds on sale of investments		**5,463,646**	**-**	**5,463,646**	**-**
Advance from (to) controlled entities			**-**	**(14,980,627)**	**(798,841)**
Acquisition of property, plant & equipment		**(424,744)**	**(447,724)**	**(104,228)**	**(306,678)**
Payments for capital works in construction		**(8,720,431)**	**(141,999)**	**-**	**-**
Refund (payment) of security bond		**(822,934)**	**(117,431)**	**(816,803)**	**(117,431)**
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES		**(10,625,808)**	**(6,923,232)**	**(11,878,706)**	**(5,645,625)**
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from sale of forfeited shares		**778,279**	**17,346,681**	**778,279**	**17,346,681**
NET CASH FLOWS FROM FINANCING ACTIVITIES		**778,279**	**17,346,681**	**778,279**	**17,346,681**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**(10,891,948)**	**9,300,033**	**(10,890,434)**	**11,068,002**
Add opening cash and cash equivalents brought forward		**18,546,754**	**7,542,858**	**18,537,202**	**7,480,982**
Effect of deconsolidation of former subsidiary		**-**	**1,716,566**	**-**	**-**
Effect of exchange rates on cash holdings in foreign currencies		**3,711**	**(12,703)**	**3,298**	**(11,782)**
CLOSING CASH AND CASH EQUIVALENTS CARRIED FORWARD	14(b)	**7,658,517**	**18,546,754**	**7,650,066**	**18,537,202**

The above Statements of Cash Flows are to be read in conjunction with the Notes to the Financial Statements.

Notes to the Financial Statements

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. The financial report covers the consolidated group of IMX Resources Ltd (IMX) and its controlled entities (the Group), and IMX (the Company) as an individual entity. IMX is a company limited by shares incorporated in Australia whose shares are publicly traded on Australian Securities Exchange Limited.

This financial report was authorised for issue in accordance with a resolution of the directors on 23 September 2009.

(a) BASIS OF PREPARATION

The financial report is a general purpose financial report that has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the consolidated entity and parent entity also comply with International Financial Reporting Standards.

The following is a summary of the material accounting policies adopted by the consolidated group in the preparation of the financial report. The accounting policies have been consistently applied to all years presented unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

(b) SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Significant accounting judgements

Determination of mineral resources

The determination of mineral resources impacts the accounting for asset carrying values. IMX Resources Ltd estimates its mineral resources in accordance with the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2004 (the ‘JORC’ Code). The information on mineral resources was prepared by or under the supervision of Competent Persons as defined in the JORC Code. The amounts presented are based on the mineral resources determined under the JORC Code.

There are numerous uncertainties inherent in estimating mineral resources, and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and may ultimately result in reserves being restated.

Significant accounting estimates and assumptions

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent upon a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale. Development in relation to the Cairn Hill Phase 1 Project commenced being capitalised in the financial year to 30 June 2008, upon the signing of the heads of agreement with Tonghua Mining Group of China and the granting of a mineral

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lease.

Factors that could impact future recoverability include the level of reserves and resources, future technological changed which could impact the cost of mining, future legal changes (including changes to environment restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which the determination is made.

(c) PRINCIPLES OF CONSOLIDATION

The consolidated financial statements are those of the consolidated entity, comprising IMX (the parent entity) and all entities which IMX controlled from time to time during the year and at balance date. A controlled entity is any entity over which IMX has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in note 15.

Information from the financial statements of subsidiaries is included from the date the parent company obtains control until such time as control ceases. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the parent company has control.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

All intercompany balances have been eliminated on consolidation. Inter group transactions, involving the allocation of certain staff salaries to exploration and development have not been eliminated. No profit element is included in these allocations. Unrealised losses are eliminated unless costs cannot be recovered.

Investments in subsidiaries are accounted for at cost in the individual financial statements of IMX less any impairment charges.

Minority interests, being that portion of profit or loss and net assets of subsidiaries attributable to equity interests held by persons outside the group, are shown separately within the Equity section of the consolidated Balance Sheet and in the consolidated Income Statement.

(d) PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the assets and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Provisions for rehabilitation are considered on a site basis not an asset basis.

Plant and equipment

Plant and equipment are stated on a cost basis.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts. The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation

Depreciation of plant and equipment is calculated on a straight line basis so as to write off the net costs of each asset over the expected useful life. The rates vary between 2% and 50% per annum.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement. When revalued assets are sold, it is group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

(e) IMPAIRMENT OF ASSETS

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) EXPLORATION, EVALUATION AND DEVELOPMENT COSTS

Exploration and evaluation expenditure incurred is not carried forward as an asset in the Balance Sheet, and is written off in the year they are incurred.

Development costs are accumulated for each area of interest and is only capitalised if they can be measured reliably, the process is technically feasible, future economic benefits are probable and the Group intends to have sufficient resources to complete development and exploit the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Development in relation to the Cairn Hill Phase 1 Project commenced being capitalised in the financial year to 30 June 2008, upon the signing of the heads of agreement with Tonghua Mining Group of China and the granting of a mineral lease.

Restoration, rehabilitation and environmental expenditure to be incurred during the production phase of operations will be accrued when the need for such expenditure is established, and then written off as part of the cost of production of the mine property concerned. At the conclusion of trial mining, a provision was raised for the rehabilitation of the completed works. As at the 30 June 2009, no further work requiring rehabilitation has been done.

(g) OPERATING LEASES

Operating leases are not recognised in the Group’s balance sheet.

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight line basis. Contingent rentals are recognised as an expense in the financial year in which they are incurred.

(h) INCOME TAX

The income tax expense for the year comprises current income tax expense and deferred tax expense.

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities are therefore measured at the amounts expected to be paid to the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of accounting profit and taxable income are brought to account either as a deferred tax liability or as a deferred tax asset at the rate of income tax applicable to the period in which the benefit will be received or the liability will become payable. When deferred tax relates to items that may be credited directly to equity, the deferred tax is adjusted directly against equity.

Deferred tax assets are not brought to account unless it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The Company and its wholly owned Australian resident entities are not part of a tax consolidated group.

(i) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheets.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(j) FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement.

Financial Statements of foreign operations

The financial results and position of foreign operations whose functional currency is not Australian dollars, the group's presentation currency, are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for each month during the period.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.

Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity in the foreign currency translation reserve.

(k) ACCOUNTS PAYABLE

Trade and other payables are recognised when the Group becomes obliged to make payments resulting from the purchase of goods and services.

(l) PROVISIONS

Provisions are recognised when the Group has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

(m) EMPLOYEE BENEFITS

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, and long service leave when it is probable that settlement will be required.

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled including related on-costs, such as workers compensation insurance and payroll tax. Non accumulating non monetary benefits, such as medical care, cars or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

Defined contribution superannuation funds

Obligations, if any, for contributions to defined contribution superannuation funds are recognised as an expense in profit or loss when they are due.

Share based payment transactions

The grant date fair value of partly paid shares and options granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which employees become unconditionally entitled to them.

Notes to the Financial Statements

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(n) REVENUE RECOGNITION

Interest revenue is recognised on a time proportionate basis.

Revenue from the disposal of assets is recognised when the consolidated entity has passed control of the asset to the buyer.

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date.

(o) ISSUED CAPITAL

Ordinary shares are classified as equity.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(p) EARNINGS PER SHARE (EPS)

Basic earnings per share

Basic EPS is calculated as the profit (loss) attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, divided by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus elements in ordinary shares issued during the year.

Diluted earnings per share

Diluted EPS adjusts the figures used in the determination of basic EPS to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(q) CASH AND CASH EQUIVALENTS

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(r) FINANCIAL INSTRUMENTS

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs, except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual right to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

Available for sale financial assets

The Group's investments in equity securities are classified as available for sale financial assets. Subsequent to initial recognition, they are valued at fair value and changes therein, are recognised directly in a separate component of equity.

Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

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(ii) Share capital

Ordinary shares

Incremental costs directly attributable to issue of ordinary shares are recognised as a deduction from equity, net of any related income tax benefit.

(s) COMPARATIVE FIGURES

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(t) INTERESTS IN JOINT VENTURES

The Group's interest in unincorporated joint ventures and jointly controlled assets are brought to account by including in the respective classifications, the share of individual assets employed, and liabilities and expenses incurred.

(u) CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

(v) GOVERNMENT GRANTS

Grants that compensate the Group for expenses incurred are recognised in profit or loss when receipt of them is assured.

(w) SEGMENT REPORTING

A business segment is a distinguishable component of the entity that is engaged in providing products or services that are subject to risks and returns that are different to those of other operating business segments. A geographical segment is a distinguishable component of the entity that is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different than those of segments operating in other economic environments.

(x) NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

New and revised Standards and Interpretations issued but not yet applicable are not expected to have a significant impact on the financial position or performance of the Company. At the date of authorisation of the financial report, the following Standards and Interpretations were in issue but not yet effective.

(i) Revised AASB 3 - Business Combinations

The revised standard introduces a number of changes to the accounting for business combinations, the most significant of which allows entities a choice for each business combination entered into – to measure a non-controlling interest (formerly a minority interest) in the acquiree either at its fair value or at its proportionate interest in the acquiree's net assets. This choice will effectively result in recognising goodwill relating to 100% of the business (applying the fair value option) or recognising goodwill relating to the percentage interest acquired. The application date of the standard is from 1 July 2009 and the Group will apply the standard from that date. The Group has not yet assessed the impact of early adoption, including which accounting policy to adopt.

(ii) Revised AASB 127 - Consolidated and Separate Financial Statements

Under the revised standard, a change in the ownership interest of a subsidiary (that does not result in a change of control) will be accounted for as an equity transaction. The application date of the standard is from 1 July 2009 and the Group will apply the standard from that date. If the Group changes its ownership interest in its existing subsidiary in the future, the change will be accounted for as an equity transaction. This will have no impact on goodwill, nor will it give rise to a gain or a loss in the Group's income statement.

(iii) AASB 2008-3 - Amendments to Australian Accounting Standard arising from AASB 3 and AASB 127

Amending standard issued as a consequence of revisions to AASB 3 and AASB 127. The application date of the standard is from 1 July 2009 and the Group will apply the standard from that date.

(iv) Amendments to International Financial Reporting Standards - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate

The main amendments of relevance to Australian entities are those made to IAS 27 deleting the 'cost method' and requiring all dividends from a subsidiary, jointly controlled entity or associate to be recognised in profit or loss in an entity's separate financial statements (i.e. parent company's accounts). The distinction between pre- and post-acquisition profits is no longer required. However, the payment of such dividends requires the entity to consider whether there is an indicator of impairment. AASB 127 has

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also been amended to effectively allow the cost of an investment in a subsidiary, in limited reorganisations, to be based on the previous carrying amount of the subsidiary (that is, share of equity) rather than its fair value. The application date of the standard is from 1 July 2009 and the Group will apply the standard from that date. If the Group enters into any group reorganisation establishing new parent entities, an assessment will need to be made to determine if the reorganisation meets the conditions imposed to be effectively accounted for on a 'carry-over basis' rather than at fair value.

(y) GOING CONCERN

The Directors have prepared the financial statements on the basis of going concern, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. The ability of the Company to continue as a going concern will be dependent on the ability to raise further funds as required.

2. FINANCIAL RISK MANAGEMENT

The Group's principal financial instruments comprise cash and short term deposits, receivables, available for sale investments and payables.

The Company and Group have exposure to the following risks from their use of financial instruments:

- Interest rate risk
- Credit risk
- Foreign currency risk

Each of these risks is described and discussed at note 22.

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
3. PROFIT FROM ORDINARY ACTIVITIES				
Profit or loss from ordinary activities included the following items of revenue and expense:				
(a) OPERATING REVENUE				
Interest receivable from other persons	**689,106**	**778,478**	**688,011**	**778,337**
Profit on sale of royalty rights	**5,462,641**	**-**	**5,462,641**	**-**
(b) OPERATING EXPENSES				
Provision for employee entitlements	**176,937**	**50,140**	**138,600**	**43,370**
Foreign exchange losses / (gains)	**43,438**	**114,207**	**(700,192)**	**602,245**
4. INCOME TAX				
(a) NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE				
Profit /(loss) from ordinary activities before income tax expense	**(302,381)**	**(4,973,979)**	**1,618,609**	**(5,429,294)**
Prima facie tax on profit from ordinary activities at 30%	**(90,714)**	**-**	**485,583**	**-**
Prima facie tax benefit on loss from ordinary activities at 30%	**-**	**1,492,194**	**-**	**1,628,788**
Reduction in income tax from available losses	**(108,648)**	**-**	**(1,338,214)**	**-**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	**199,362**	**(290,019)**	**852,631**	**(459,372)**
Tax effect of current year profit for which no deferred tax asset has been recognised	**-**	**(1,202,175)**	**-**	**(1,169,416)**
Income tax benefit	**-**	**-**	**-**	**-**

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	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
(b) INCOME TAX LOSSES				
Unused tax losses for which no deferred tax asset has been recognised	**26,438,892**	**27,972,839**	**20,415,726**	**26,048,226**
Write back research & development claim 2006	**(273,142)**	**(1,171,787)**	**(273,142)**	**(1,171,787)**
Adjustment to prior year	**169,652**	**-**	**169,652**	**-**
Adjustment to difference in depreciation rates	**(14,286)**	**-**	**(14,286)**	**-**
Amended unused tax losses for which no deferred tax asset has been recognised	**26,321,116**	**26,801,052**	**20,297,950**	**24,876,439**
Potential tax benefit @ 30%	**7,896,335**	**8,040,316**	**6,089,385**	**7,462,932**
(c) DEFERRED TAX ASSETS				
Tax losses	**7,896,335**	**8,040,316**	**6,089,385**	**7,462,932**
Provisions and accruals	**151,523**	**111,076**	**44,087**	**223,415**
	8,047,858	**8,151,392**	**6,133,472**	**7,686,347**

(d) THERE ARE NO DEFERRED TAX LIABILITIES.

No income tax is payable by the Group. The directors have considered it prudent not to bring to account the future income tax benefit of income tax losses and exploration deductions until there is virtual certainty of deriving assessable income of a nature and amount to enable such benefit to be realised.

The benefit of these losses and timing differences will only be obtained if:

a) the group derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the loss to be realised.

b) the Company continues to comply with the condition of deductibility imposed by the group derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the loss to be realised.

c) the Company continues to comply with the condition of deductibility imposed by law; and

d) no changes in tax legislation adversely affect the Company in realising the benefit from the deduction for the loss.

5. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

6. TRADE AND OTHER RECEIVABLES

(a) CURRENT

	Consolidated 2009	Consolidated 2008	Parent Entity 2009	Parent Entity 2008
Accounts receivable	**234,294**	**995,495**	**30,483**	**985,683**
Accrued interest	**19,288**	**83,811**	**18,433**	**83,811**
Prepayments	**-**	**20,996**	**-**	**18,439**
Goods and services tax receivable	**194,421**	**137,450**	**54,149**	**30,582**
	448,003	**1,237,752**	**103,065**	**1,118,515**

(b) NON-CURRENT

	Consolidated 2009	Consolidated 2008	Parent Entity 2009	Parent Entity 2008
Loans to controlled entities	**-**	**-**	**23,423,356**	**8,442,729**
Less: provision for non-recovery	**-**	**-**	**(7,046,450)**	**(5,518,125)**
Security Bond	**1,001,205**	**178,271**	**987,574**	**170,771**
	1,001,205	**178,271**	**17,364,480**	**3,095,375**

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Receivables past due but not considered impaired are : Consolidated $28,824 (2008: nil); Parent $28,824 (2008: nil). Payment terms have not been re-negotiated. The Company is in contact with the relevant debtor and is confidant payment will be received in full.

Other balances within trade and other receivables do not contain impaired assets and are not past due.

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
7. OTHER FINANCIAL ASSETS				
(a) CURRENT				
Other	124,499	169,959	124,499	169,959
	124,499	169,959	124,499	169,959
(b) NON-CURRENT				
Investment in Uranex NL	17,820,054	13,200,021	8,907,365	6,763,001
Investment in Continental Nickel Ltd	11,427,619	35,259,586	11,427,619	35,259,586
	29,247,673	48,459,607	20,334,984	42,022,587

Other financial assets are investments in listed entities valued at the fair market value in accordance with the quoted market price at 30 June 2009. The market values (AUD) of Uranex NL and Continental Nickel Ltd as at 21 September 2009 were $12,552,431 and $14,140,170 respectively.

IMX retains significant investments in Uranex NL of 34.25% and Continental Nickel Ltd of 47.4%. The directors have determined that IMX does not have significant influence over those entities as it does not have the power to participate in the financial and operating policy decisions of them. In reaching this determination the board considered:

- IMX does not have board representation. Ms B Manzi, a key management person is a director of Uranex NL. On 4 August 2009 Mr Jooste-Jacobs was appointed as an alternate director for Ms Manzi in Uranex NL
- IMX does not participate in policy making processes including participation in decisions about dividends or other distributions.
- There are no material transactions between the entities.
- There is no interchange of managerial personnel.
- There is no provision of essential technical information.

8. PROPERTY, PLANT AND EQUIPMENT

	Consolidated 2009	Consolidated 2008	Parent Entity 2009	Parent Entity 2008
At cost	1,011,002	628,282	549,439	487,235
Accumulated depreciation	(305,514)	(108,889)	(216,305)	(104,583)
Under construction	7,630,328	316,692	-	-
	8,335,816	836,085	333,134	382,652

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Included in property, plant and equipment under construction is $5,272,724 capital works in progress and $2,357,604 prepaid against delivery of materials. Depreciation is not provided on capital works in progress.

	Consolidated 2009 $	Consolidated 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
(a) Reconciliations				
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year				
Plant and equipment				
Carrying amount at beginning	**836,085**	**142,666**	**382,652**	**94,513**
Additions	**9,336,008**	**804,127**	**62,204**	**346,388**
Disposals	**1,134**	**(48,153)**	**1,134**	**-**
Abandoned civil works	**(1,639,652)**	**-**	**-**	**-**
Depreciation expense	**(197,759)**	**(62,555)**	**(112,856)**	**(58,249)**
Carrying amount at end	**8,335,816**	**836,085**	**333,134**	**382,652**

9. EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

(a) EXPLORATION AND EVALUATION

Expenditure incurred during the year	**2,310,089**	**4,498,016**	**1,512,243**	**3,875,260**
Expenditure written off during the year	**(2,310,089)**	**(4,498,016)**	**(1,512,243)**	**(3,875,260)**
	-	**-**	**-**	**-**

(b) DEVELOPMENT

Balance 1 July	**1,763,069**	**-**	**-**	**-**
Expenditure incurred during the year	**3,858,720**	**1,763,069**	**-**	**-**
Expenditure written off during the year	**-**	**-**	**-**	**-**
	5,621,789	**1,763,069**	**-**	**-**

All exploration and revaluation costs are written off in the period in which they occur. Development costs are only carried forward if there is certainty that they will be recoverable from future cashflows from the relevant area of interest.

10. TRADE AND OTHER PAYABLES (CURRENT)

Payables (creditors and accruals)	**742,106**	**1,299,720**	**485,167**	**1,213,013**

11. PROVISIONS

(a) CURRENT

Employee benefits	**289,905**	**123,092**	**250,015**	**116,322**

(b) NON-CURRENT

Employee benefits	**27,891**	**22,984**	**27,891**	**22,984**
Minesite Rehabilitation	**325,000**	**-**	**-**	
Office Restoration	**11,690**	**3,333**	**11,690**	**3,333**
	364,581	**26,317**	**39,581**	**26,317**

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	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$

12. ISSUED CAPITAL

(a) ISSUED AND PAID UP CAPITAL

	2009		2008	
	Number of shares	$	Number of shares	$
Ordinary shares fully paid	174,472,803	61,781,754	174,147,803	61,636,004
Ordinary shares partly paid	-	-	850,000	8,500
	174,472,803	61,781,754	174,997,803	61,644,504

(b) MOVEMENTS IN FULLY PAID SHARES ON ISSUE

	2009		2008	
	Number of shares	$	Number of shares	$
Beginning of the financial year	174,147,803	61,636,004	147,709,214	43,413,598
Placement of shares (net of cost)	-	-	16,394,000	13,934,900
Issue of shares for Mining Native Title Agreements	325,000	137,250	-	-
Conversion of partly paid shares to fully paid shares	-	-	10,044,589	4,287,506
Cancellation of partly paid shares	-	8,500	-	-
End of the financial year	174,472,803	61,781,754	174,147,803	61,636,004

(c) MOVEMENTS IN PARTLY PAID SHARES ON ISSUE

	Number of partly paid shares 2009	$ 2009	Number of partly paid shares 2008	$ 2008
Beginning of the financial year (including uncalled capital)	850,000	8,500	10,894,589	4,624,486
Cancelled during the year	(850,000)	(8,500)	-	-
Converted to fully paid shares during the year	-	-	(10,044,589)	(4,115,986)
Less uncalled capital	-	-	-	(500,000)
End of the financial year	-	-	850,000	8,500

(d) ORDINARY SHARES

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote. Upon a poll, each fully paid share shall have one vote and each partly paid share shall have such number of votes as bears the same proportion to the total of such shares as the amount of the issue price thereof paid up bears to the total issue price. There are no partly paid shares on issue.

(e) MOVEMENTS IN OPTIONS ON ISSUE

	Number of options 2009	$ 2009	Number of options 2008	$ 2008
Beginning of the financial year	5,960,000	-	-	-
Issued during the year	5,400,000	-	5,960,000	-
End of the financial year	11,360,000	-	5,960,000	-

Options do not have any entitlement to votes.

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	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
13. RESERVES AND ACCUMULATED LOSSES				
(a) RESERVES				
Foreign currency translation reserve	(367,386)	284,016	-	-
Share based remuneration reserve	2,270,097	1,720,943	2,270,097	1,720,943
Available for sale investment reserve	29,300,660	48,316,712	20,222,990	41,714,712
	31,203,371	50,321,671	22,493,087	43,435,655
Movements:				
Foreign currency translation reserve				
Balance at beginning of year	284,016	367,461	-	-
Currency translation differences arising during the year	(651,402)	(83,445)	-	-
Balance at end of year	(367,386)	284,016	-	-
Share based remuneration equity reserve				
Balance at beginning of year	1,720,943	837,840	1,720,943	837,840
Employee Share Remuneration	549,154	883,103	549,154	883,103
Balance at end of year	2,270,097	1,720,943	2,270,097	1,720,943
Available for sale investment reserve				
Balance at beginning of year	48,316,712	-	41,714,712	-
Mark to Market	(19,016,052)	48,316,712	(21,491,722)	41,714,712
Balance at end of year	29,300,660	48,316,712	20,222,990	41,714,712
(b) ACCUMULATED LOSSES				
Balance at beginning of year	42,223,807	37,249,828	41,109,521	35,680,227
Net loss / (profit) attributable to members of IMX	(279,592)	4,973,979	(1,970,145)	5,429,294
Balance at end of year	41,944,215	42,223,807	39,139,376	41,109,521

(c) NATURE AND PURPOSE OF RESERVES

(i) Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations as well as from the translation of the Company's net investment in a foreign subsidiary.

(ii) Share based remuneration reserve

The share based remuneration reserve is used to recognise the fair value of partly paid shares and options issued.

(iii) Available for sale investments reserve

Comprises the cumulative net change in the fair value of available for sale financial assets until the asset is derecognised or impaired.

14. STATEMENT OF CASH FLOWS

(a) RECONCILIATION OF OPERATING LOSS FOR THE YEAR AFTER INCOME TAX TO NET CASH USED IN OPERATING ACTIVITIES

	Consolidated 2009	Consolidated 2008	Parent Entity 2009	Parent Entity 2008
Operating profit / (loss) for the year after income tax	279,592	(4,973,979)	1,970,145	(5,429,294)
Add / (deduct) non-cash items				
(Increase)/ decrease in foreign currency translation reserve	(651,402)	83,445	-	-
Profit on sale of royalty rights	(5,462,641)	-	(5,462,641)	-
Profit on loss of subsidiary	-	(1,126,666)	-	-
Depreciation	197,759	62,555	112,856	58,249
Exploration expenditure written off	2,310,089	4,498,016	1,512,243	3,875,260
Abandoned capital works written off	1,639,652	-	-	-

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Fair value adjustment of investments	**241,342**	-	**241,342**	-
Employee entitlements	**171,720**	(94,018)	**138,600**	(95,228)
Provision for non recovery of loans	**-**	-	**1,528,325**	(84,826)
Provision for office restoration	**8,357**	(41,001)	**8,357**	(41,001)
Employee share based remuneration	**417,538**	883,103	**417,538**	883,103
Changes in assets and liabilities				
(Increase) / decrease in receivables	**(168,982)**	147,484	**(184,886)**	212,265
Increase / (decrease) in creditors	**(27,443)**	(562,355)	**(71,886)**	(11,672)
Net cashflows (used in) / from operating activities	**(1,044,419)**	(1,123,416)	**209,993**	(633,144)

(b) RECONCILIATION OF CASH AND CASH EQUIVALENTS

Cash Balance comprises:				
Cash at Bank	**198,672**	1,780,650	**190,486**	1,771,098
Cash at Deposit	**7,458,285**	16,765,677	**7,458,285**	16,765,677
Cash at Hand	**1,560**	427	**1,295**	427
Cash at end of year	**7,658,517**	18,546,754	**7,650,066**	18,537,202

15. INTERESTS IN CONTROLLED ENTITIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(c):

Name	Country of incorporation	Class of shares	Equity Holding* 2009 %	Equity Holding* 2008 %
Backyard Exploration Pty Ltd (formerly Continental Nickel NL)	Australia	Ordinary		100
Frugal Mining Pty Ltd	Australia	Ordinary		100
Pan African Resources Pty Ltd	Australia	Ordinary		100
Tausi Mining Pty Ltd	Australia	Ordinary		90
Outback Iron Pty Ltd	Australia	Ordinary		100
Termite Resources NL	Australia	Ordinary		100
Cairn Hill Phase 2 Pty Ltd	Australia	Ordinary		100
Cairn Hill Phase 3 Pty Ltd	Australia	Ordinary		100
Thrifty Mining Pty Ltd	Australia	Ordinary		100
Zanzibar Gold Pty Ltd	Australia	Ordinary		92
Duma Minerals (T) Ltd	Tanzania	Ordinary		92
Nyati Mining (T) Ltd	Tanzania	Ordinary		100
Pan African Resources (T) Ltd	Tanzania	Ordinary		100
Tausi Minerals Company Ltd	Tanzania	Ordinary		90
Warthog Resources (T) Ltd	Tanzania	Ordinary		100
Kudu Ltd	Tanzania	Ordinary		100
IMX Mozambique Limitada	Mozambique	Ordinary		100
Swynlay Pty Ltd	Australia	Ordinary		100
Noble Mineral Resources Pvt Ltd	India	Ordinary		100

* Percentage of voting power is in proportion to ownership.

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	Consolidated 2009 $	Consolidated 2008 $	Parent Entity 2009 $	Parent Entity 2008 $

16. EXPENDITURE COMMITMENTS

(a) EXPLORATION COMMITMENTS

The Company has certain commitments to meet minimum expenditure requirements on the mineral exploration assets it has an interest in. Outstanding exploration commitments are as follows:

	Consolidated 2009 $	Consolidated 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
not later than one year	**2,942,860**	**6,044,649**	**1,452,000**	**1,760,000**

Exploration expenditure commitments beyond twelve months cannot be reliably determined.

(b) CAPITAL COMMITMENTS

	Consolidated 2009 $	Consolidated 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
Plant & Equipment				
not later than one year	**385,147**	**48,200**	**-**	**-**

(c) LEASE EXPENDITURE COMMITMENTS

	Consolidated 2009 $	Consolidated 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
Operating leases (non-cancellable):				
Minimum lease payments				
– not later than one year	**270,209**	**226,674**	**243,483**	**181,538**
– later than one year and not later than five years	**382,081**	**717,125**	**382,081**	**605,125**
Aggregate lease expenditure contracted for at reporting date	**652,290**	**943,799**	**625,564**	**786,663**

The Group leases a number of office premises with fixed terms ranging from less than one year to five years. Lease payments are increased each year to reflect market rentals.

(d) REMUNERATION COMMITMENTS

Amounts disclosed as remuneration commitments include commitments arising from the service contracts of key management personnel referred to in note 19(b) that are not recognised as liabilities and are not included in the key management personnel compensation.

	Consolidated 2009 $	Consolidated 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
not later than one year	**355,247**	**189,274**	**255,517**	**189,274**
later than one year and not later than five years	**476,964**	**-**	**476,964**	**-**
	832,211	**189,274**	**732,481**	**189,274**

(e) OTHER COMMITMENTS

- The Group acquired mining tenements in Australia and India from Anglo American Group (“Anglo”). Anglo has a once only right to acquire a 70% interest in any prospect or prospects on any of the tenements. Upon definition of an Indicated Mineral Resource by IMX, Anglo must notify IMX of its intention to exercise its right to acquire a 70% interest in the tenement(s), hosting the resource. If Anglo elects to acquire a 70% interest, it may do so by sole funding exploration (that is carrying IMX’s 30% interest) through to completion of a Bankable Feasibility Study. Anglo will also pay to IMX a cash amount equivalent to 200% of IMX’s expenditure on the tenement(s) hosting the resource up to the point of Anglo’s election. Should Anglo not exercise its right to acquire that 70% interest, IMX will have 100% of the resource and Anglo will be entitled to a 2% Net Smelter Royalty. IMX has undertaken to spend a minimum of $1.5 million on the tenements as long as they remain in existence.
- Anglo American Investments Ltd (a wholly owned subsidiary of Anglo American Plc) has the right to maintain its shareholding in the Company at 8% by participating in share placements at the average market price.

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	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$
17. PROFIT PER SHARE				
(a) RECONCILIATION OF EARNINGS TO PROFIT OR LOSS				
Net profit / (loss)	279,592	(4,973,979)		
Profit / (loss) used in calculating basic loss per share	279,592	(4,973,979)		
	Number of shares			
(b) WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES OUTSTANDING DURING THE YEAR USED IN CALCULATING BASIC PROFIT PER SHARE				
Weighted average number of ordinary shares used in calculating basic profit per share	174,426,433	165,322,655		
(c) EFFECT OF DILUTIVE SECURITIES				
Weighted average number of ordinary shares used in calculating diluted profit per share	183,907,529	167,011,051		
18. AUDITORS' REMUNERATION				
Amounts received or due and receivable by Stantons International for:				
– an audit or review of the financial report of the entity	36,291	47,022	35,291	47,022
Amounts received or due and receivable by other auditors of subsidiaries or former subsidiaries for:				
– an audit or review of the financial report of the subsidiaries	11,091	-	8,599	-

19. KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) DETAILS OF KEY MANAGEMENT PERSONNEL

(i) Directors

The following persons were directors of IMX during the financial year:

Johann C Jooste-Jacobs	Non-Executive Chairman (appointed 12 August 2007)
Duncan R McBain	Managing Director (appointed 30 March 2006)
Stephen B Hunt	Non-Executive Director (appointed 3 July 2007)
Anthony J Haggarty	Non-Executive Director (appointed 29 January 2008)
Cao Xiangkui	Non-Executive Director (appointed 12 March 2008)

(ii) Executives

Bianca Manzi	Exploration Manager (appointed 1 January 2007)
Kim France	Chief Financial Officer/Company Secretary (appointed 1 October 2006/3 July 2007 respectively)
Simon Parsons	General Manager – Cairn Hill Project (appointed 11 July 2008)

(b) REMUNERATION POLICY OF KEY MANAGEMENT PERSONNEL

The Company formed a remuneration committee on 1 August 2008.

The Company's policy for determining the nature and amount of emoluments of board members and senior executives of the Company is assessed annually at the end of each calendar year and are set by reference to the mineral exploration industry market place and are not directly linked to the Company's performance.

Non-Executive Directors

The constitution of the Company provides that the non-executive directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum sum per annum from time to time determined by the Company in general meeting (currently $500,000).

Directors Fees

A director may be paid fees or other amounts as the directors determine where a director performs special duties or otherwise performs service outside the scope of the ordinary duties of a director. A director may also be reimbursed for out of pocket expenses incurred as a result of their directorship or any special duties.

Currently, non executive directors are remunerated by way of directors' fees.

Service Agreements

The Agreements relating to remuneration are set out below:

Duncan McBain - Managing Director

The Board of IMX proposes to rollover the expired Managing Directors' service contract, subject to the authorisation of the Nomination and Remuneration Committee.

The terms of the expired contract were:

- Term of agreement - 3 years commencing 30 March 2006.
- Mr McBain will be paid the sum of $210,000 per annum plus the statutory superannuation guarantee of 9%.
- The agreement and the employment created by it may be terminated by either IMX or Mr McBain by that party giving the other six months written notice.

Mr McBain's remuneration will be reviewed annually and not withstanding that review IMX has agreed to increase Mr McBain's salary by at least 5% per year.

(c) DIRECTORS AND EXECUTIVES REMUNERATION (KEY MANAGEMENT PERSONNEL)

Remuneration of individual directors and key management personnel is disclosed in the Director's Report.
The totals of remuneration paid to Key Management Personnel of the company and the Group during the year are as follows:

	2009 $	2008 $
Short term employee benefits	1,118,479	871,205
Post employment benefits	77,385	67,122
Other long term employee benefits	3,980	-
Share based payments	417,538	1,053,730
	1,617,382	1,992,057

(d) RELATED PARTY TRANSACTIONS

Transactions with Directors Related Entities

Identity of Related Party	**Nature of Relationship**	**Type of Transaction**	**Terms & Conditions of Transaction**	**Aggregate Amount**
Mr S B Hunt – Director and shareholder of Minerals and Metals Marketing Pty Ltd	Director of parent entity	Consulting fees paid to Minerals and Metals Marketing Pty Ltd	Normal commercial terms	$13,000 (2008: $156,000)
Mr A J Haggarty	Director of parent entity	Consulting fees paid to XLX Pty Ltd	Normal commercial terms	$65,250 (2008: nil)
Mr T A Robson – Director and shareholder of T A Robson Pty Ltd (resigned 27 November 2007)	Director of parent entity	Consulting fees paid to T A Robson Pty Ltd	Normal commercial terms	Nil (2008: $2,760)

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Ms E Ellingham - Director and shareholder of Ellingham Consulting Ltd (Ceased being part of group on 8 January 2008)	Director of Continental Nickel Ltd	Consulting Fees paid to Ellingham Consulting Ltd	Normal commercial terms	Nil (2008: 45,454)

The above does not include directors fees as disclosed in remuneration report.

Transactions with Associated Companies

Identity of Related Party	**Nature of Relationship**	**Type of Transaction**	**Terms & Conditions of Transaction**	**Aggregate Amount**
Uranex NL	34.25% ownership of Uranex NL	Service agreement for sharing of rental premises and personnel	Normal commercial terms	$67,142 (2008: $371,048)
Continental Nickel Ltd	47.5% ownership of Continental Nickel Ltd	Charges for direct costs on CNI projects	Normal commercial terms	Nil (2008: $41,237)

(e) DIRECTORS' HOLDING OF SHARES (KEY MANAGEMENT PERSONNEL)

i) Fully Paid Shares

	Balance 1 July 2008 Number		Other Changes	Balance 30 June 2009 Number
Specified Directors:				
J C Jooste-Jacobs (appointed 12 August 2007)	**705,000**	**-**	**199,000**	**904,000**
D R McBain	**255,000**	**-**	**-**	**255,000**
S B Hunt (appointed 3 July 2007)	**150,000**	**-**	**-**	**150,000**
A J Haggarty (appointed 29 January 2008)	**6,454,522**	**-**	**620,000**	**7,074,522**
Total	**7,564,522**	**-**	**819,000**	**8,383,522**
Specified Executive:				
B Manzi	**100,710**	**-**	**-**	**100,710**
K G France	**43,780**	**-**	**12,000**	**55,780**
S Parsons	**-**	**-**	**-**	**-**
Total	**144,490**	**-**	**12,000**	**156,490**

	Balance 1 July 2007 Number	**Conversion of Partly Paid Shares**	**Other Changes**	**Balance 30 June 2008 Number**
Specified Directors:				
J C Jooste-Jacobs (appointed 12 August 2007)	**-**	**-**	**705,000**	**705,000**
D R McBain	**175,000**	**-**	**80,000**	**255,000**
S B Hunt (appointed 3 July 2007)	**20,000**	**-**	**130,000**	**150,000**
A J Haggarty (appointed 29 January 2008)	**-**	**-**	**6,454,522**	**6,454,522**
T A Robson (resigned 27 November 2007)	**219,582**	**-**	**(219,582)**	**-**
G J Wallace (resigned 3 July 2007)	**1,417,178**	**-**	**(1,417,178)**	**-**
Total	**1,831,760**	**-**	**5,732,762**	**7,564,522**
Specified Executive:				
B Manzi	**20,710**	**80,000**	**-**	**100,710**
K G France	**28,780**	**15,000**	**-**	**43,780**
S Parsons	**-**	**-**	**-**	**-**
Total	**49,490**	**95,000**	**-**	**144,490**

ii) Options

	Balance 1 July 2008 Number	Issued	Exercised	Balance 30 June 2009 Number
Specified Directors:				
J C Jooste-Jacobs (appointed 12 August 2007)	1,000,000	1,100,000	-	2,100,000
D R McBain	2,500,000	1,250,000	-	3,750,000
S B Hunt (appointed 3 July 2007)	500,000	1,050,000	-	1,550,000
A J Haggarty (appointed 29 January 2008)	500,000	1,050,000	-	1,550,000
Cao Xiangkui (appointed 12 March 2008)	500,000	-	-	500,000
Total	5,000,000	4,450,000	-	9,450,000
Specified Executive:				
B Manzi	300,000	300,000	-	600,000
K G France	300,000	650,000	-	950,000
S Parsons	-	-	-	-
Total	600,000	950,000	-	1,550,000

	Balance 1 July 2007 Number	Issued	Exercised	Balance 30 June 2008 Number
Specified Directors:				
J C Jooste-Jacobs (appointed 12 August 2007)	-	1,000,000	-	1,000,000
D R McBain	-	2,500,000	-	2,500,000
S B Hunt (appointed 3 July 2007)	-	500,000	-	500,000
A J Haggarty (appointed 29 January 2008)	-	500,000	-	500,000
Cao Xiangkui (appointed 12 March 2008)	-	500,000	-	500,000
Total	-	5,000,000	-	5,000,000
Specified Executive:				
B Manzi	-	300,000	-	300,000
K G France	-	300,000	-	300,000
S Parsons	-	-	-	-
Total	-	600,000	-	600,000

20. RELATED PARTY DISCLOSURES

(a) PARENT ENTITY

IMX is the ultimate Australian parent entity of the consolidated entity. IMX is a company limited by shares that is incorporated and domiciled in Australia.

(b) WHOLLY-OWNED GROUP TRANSACTIONS

Controlled entities made payments and received funds on behalf of IMX and other controlled entities by way of inter-Company loan accounts with each controlled entity. These loans are unsecured, bear no interest and are repayable on demand, however demand for repayment is not expected in the next twelve months.

(c) KEY MANAGEMENT PERSONNEL

IMX has applied the option to transfer Key Management Personnel disclosures required by AASB 124 : Related Parties, disclosure paragraph AUS 25.4 to AUS 25.7.2 to the remuneration report section of the Director's Report. These transferred disclosures have been audited.

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21. SEGMENT INFORMATION

Segment products and locations

The consolidated entity's operations are in the mining industry. Geographically, the group operates in four countries, being Australia, Tanzania, India and Mozambique.. The head office and investment activities of the group take place in Australia.

Geographic segments	Segment Revenue		Segment Profits		Segment Assets		Segment Liabilities	
	2009	2008	2009	2008	2009	2008	2009	2008
	$	$	$	$	$	$	$	$
Geographical Location								
Australia	6,816,139	1,989,035	445,262	(4,510,831)	58,056,661	79,609,184	1,376,318	5,786,130
Tanzania	3	141	(142,484)	(44,651)	9,477	17,051	4,766,557	3,509,718
India	-	-	(6,263)	(22,227)	5,634	3,095	234,636	205,935
Mozambique	-	-	(16,923)	(311,444)	-	4,896	653,351	390,075
Inter-segment eliminations	-	-		(84,826)	(5,634,270)	(8,442,729)	(5,634,270)	(8,442,729)
Total	6,816,142	1,989,176	279,592	(4,973,979)	52,437,502	71,191,497	(1,396,592)	1,449,129

Revenue includes research and development income tax rebate of $581,973.

Geographic segments	Capital Expenditure		Depreciation	
	2009	2008	2009	2008
	$	$	$	$
Australia	7,696,356	804,127	197,759	62,555
Tanzania	-	-	-	-
India	-	-	-	-
Mozambique	-	-	-	-
Consolidated	7,696,356	804,127	197,759	62,555

22. FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) INTEREST RATE RISK

The Group is exposed to movements in market interest rates on short-term deposits. The group ensures a balance is maintained between the liquidity of cash assets and the interest rate return.

The Group's accounting policies, including the terms and conditions of each class of financial asset and financial liability, both recognised and unrecognised at the balance date, are as follows:

	Weighted Average Interest Rate	Variable Interest Rate $	Fixed Interest Rate $	Non Interest Bearing $	Total $
2009					
Financial assets					
Cash and cash equivalents	3.4%	7,658,517			7,658,517
Trade and other receivables				1,449,208	1,449,208
Shares in listed companies				29,372,172	29,372,172
		7,658,517		30,821,380	38,479,897
Financial liabilities					
Trade and other payables				742,106	742,106
				742,106	742,106
Net financial assets		7,658,517		30,079,274	37,737,791

Notes to the Financial Statements

30 JUNE 2009

2008					
Financial assets					
Cash and cash equivalents	**6.9%**	**18,546,754**			**18,546,754**
Trade and other receivables				**1,416,023**	**1,416,023**
Shares in listed companies				**48,629,566**	**48,629,566**
		18,546,754		**50,045,589**	**68,592,343**
Financial liabilities					
Trade and other payables				**1,299,720**	**1,299,720**
				1,299,720	**1,299,720**
Net financial assets		**18,546,754**		**48,745,869**	**67,292,623**

Recognised Financial Instrument	**Balance Sheet Notes**	**Accounting Policies**	**Terms & Conditions**
i) Financial Assets			
Receivables – Other	6	Receivables are carried at nominal amounts due	
Shares in listed entities	7	Other financial assets are carried at market value where market prices are readily available, or at cost subject to impairment testing	
Investments	8	Investments are carried at market value where market prices are readily available, or at cost subject to impairment testing.	
ii) Financial Liabilities			
Payables	10	Liabilities are recognised for the amounts to be paid in the future for goods and services received, whether or not billed to the Company.	Trade liabilities are nominally settled on 30 day terms.
Interest bearing liabilities	10	Other loans are carried at the principal amount. Interest is charged as it accrues.	
iii) Equity			
Ordinary Shares	12	Ordinary share capital is recognised at the issue price of the shares less capital raising costs.	

Sensitivity Analysis

The following tables summarise the sensitivity of the Group' financial assets to interest rate risk. Had the relevant variables, as illustrated in the tables, moved, with all other variables held constant, post tax loss and equity would have been affected as shown. The analysis has been performed on the same basis for 2009 and 2008.

Consolidated Entity & Parent 30 June 2009		**Interest Rate Risk -1%**		**Interest Rate Risk +1%**	
	Carrying Amount	Net Profit/ (Loss) $	Equity $	Net Profit/ (Loss) $	Equity $
Financial Asset					
Cash and cash equivalents	7,658,517	(76,585)	(76,585)	76,585	76,585

Consolidated Entity & Parent 30 June 2008		**Interest Rate Risk -1%**		**Interest Rate Risk +1%**	
	Carrying Amount	Net Profit/ (Loss) $	Equity $	Net Profit/ (Loss) $	Equity $
Financial Asset					
Cash and cash equivalents	18,546,754	(185,468)	(185,468)	185,468	185,468

(b) NET FAIR VALUES

All financial assets and liabilities have been recognised at the balance date at amounts approximating their carrying value.

(c) CREDIT RISK EXPOSURES

The Group has accounts receivable arising primarily through transactions with associate companies, joint venture partners and government authorities. The maximum exposure to credit risk at balance date is the carrying amount (net of provision of doubtful debts) of those assets as disclosed in the balance sheet and notes to the financial statements.

The Group monitors its accounts receivable and provides for doubtful debts to the extent it considers the Group to be exposed to any credit risk. As the Group does not have any trading debtors or significant stock levels, a formal credit risk management policy is not maintained.

No sensitivity has been made for credit risk exposures.

(d) FOREIGN CURRENCY RISK

The Group is exposed to fluctuations in foreign currencies arising from exploration commitments in currencies other than Australian dollars, the group's presentation currency.

The Group operates internationally and is primarily exposed to foreign exchange risk arising from currency exposures to the United States Dollar, the Canadian Dollar, Indian Rupees, Mozambique New Meticals and to Tanzanian Schillings.

The Group has not formalised a foreign currency risk management policy, however it monitors its foreign currency expenditure in light of exchange rate movements, and retains the right to withdraw from the foreign exploration commitments after the minimum expenditure targets have been met.

No sensitivity has been made for foreign currency risk as management considers it does not have any material impact.

23. JOINT VENTURE

The Company has interests in unincorporated joint ventures as follows:

Joint Venture	**Principal Activities**	**Interest 2009**	**Interest 2008**	**Carrying value 30 June 2009**
Buhemba	Mineral exploration whereby Randgold Resources Limited may earn a 65% interest in the tenement by sole funding exploration to completion of a pre-feasibility study within five years. Randgold may earn a further 5% by completing a bankable feasibility study within a further two years. Randgold has committed to a minimum annual expenditure of US$100,000.	**92%**	**92%**	**-**
Mibango	On 27 November 2008, Lonmin Plc advised their withdrawal from the Mibango JV. They did not earn an interest.			
Dingo Well	On 23 June 2009 Regis Resources NL advised they had no further interest.			

The joint ventures are not separate legal entities. They are contractual arrangements between the participants for the sharing of costs and output and do not in themselves generate revenue and profit. Refer to Note 16 for exploration commitments.

Notes to the Financial Statements

30 JUNE 2009

The Company has interests in joint ventures entities as follows:

Joint Venture	Principal Activities	Interest 2009	Interest 2008	Carrying value 30 June 2009
Nachingwea	Mineral exploration. Continental Nickel Ltd may earn a further 5% interest by spending in aggregate $15m CAD and a further 5% interest on completion of a feasibility study. If both the aggregate spending and feasibility study are completed each shareholder must pro-rata fund future work programs or dilute.	**30%**	**30%**	**-**

The Group has the following royalty interests.

Gawler and Curnamona	A 1% net smelter return on EL 2874. On 20 March 2009, IMX entered into a Royalty Sale Agreement with Southern Cross Royalties Limited of the United Kingdom to sell its interests in the 1% net smelter return for $6,000,000.
Craton	A $1 per metric tonne for ore mined and treated royalty from EL 3258, up to $2,000,000.

	Consolidated		Parent Entity	
	2009	2008	2009	2008
	$	$	$	$

24 SHARE BASED PAYMENTS

(a) Recognised share based payment expenses

	Consolidated 2009 $	Consolidated 2008 $	Parent Entity 2009 $	Parent Entity 2008 $
Expense arising from equity-settled share based payment transactions				
- vested	417,538	883,103	417,538	883,103
- not vested	131,616	-	131,616	-
	549,154	883,103	549,154	883,103

(b) Employee Share Scheme

On 27 November 2007, shareholders adopted the IMX Resources NL Share and Option Incentive Plan (“Plan”) and subsequently adopted amendments on 25 June 2008. The Plan entitles Directors, key management personnel and employees to purchase shares in the Company.

All options granted under the Plan expire on the earlier of the expiry date being a maximum of 5 years after the grant date or 6 months after the Eligible Employee ceases to be employed by the Group. The exercise price shall not be less than the 5 day volume weighted average price of the Company’s ordinary shares immediately prior to the Board Determination Date.
As at 30 June 2009 11,060,000 options have been issued to Eligible Employees

(c) Summary of Options Granted under the Plan

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) of, and movements in, share options during the year.
No options were exercised during the year.

	2009 No.	2009 WAEP	2008 No.	2008 WAEP
Outstanding	5,660,000	$0.52	-	-
Granted during the year	5,400,000	$0.54	5,660,000	$0.52
Outstanding at the end of the year	11,060,000	$0.53	5,660,000	$0.52

(d) Weighted average remaining contractual life

The weighted average remaining contractual life of the share options outstanding as at 30 June 2009 is 4.0 years (2008: 4.7 years)

(e) Range of exercise prices

The range of exercise prices for options outstanding at the end of the year is 50 cents to 56.8 cents.

(f) Option pricing model

The fair value of the equity settled share options granted under the Plan is estimated as at the date of grant using a Black-Scholes Option pricing model taking into account the terms and conditions upon which the options were granted.

The following table lists the inputs to the model used for the years 30 June 2009 and 30 June 2008

	2009	2008
Dividend Yield	0%	0%
Expected volatility	60%	60%
Risk free interest rate	4.72 - 5.58%	6.53 – 6.75%
Expected life (years)	5	5
Option exercise price (cents)	49 – 56.8	50 - 53
Share price at grant date (cents)	27 - 40	50 - 60

The expected life of the options is fixed at the time of issue and is not necessarily indicative of when they may be exercised. The expected volatility reflects the assumption that historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

25. EMPLOYEE SUPERANNUATION COMMITMENTS

The Group contributes to superannuation for employees in accordance with the Government Superannuation Guarantee Legislation. The Group has no obligation to meet any shortfall in the superannuation funds obligations to provide benefits to employees on retirement.

26. SUBSEQUENT EVENTS

On 29 July 2009 the Company cancelled 360,000 expired options which had not been exercised.

On 29 July 2009 the Company issued 500,000 options to employees as a condition of their employment at an exercise price of 49 cents and expiring 29 July 2014.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the group, the results of those operations, or the state of affairs of the group in future financial years.

Directors' Declaration

In accordance with a resolution of the directors of IMX, I state that:

(1) In the opinion of the directors:

(a) the financial statements and notes of the Company are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Company's and the consolidated entity's financial position as at 30 June 2008 and their performance for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards and Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

(c) The financial report also complies with International Financial Reporting Standards as disclosed in note 1(a)

(c) the audited remuneration disclosures as set out in the Director's Report comply with Accounting Standards AASB 124 Related Party Disclosures and the Corporations Regulations 2001.

(2) This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ending 30 June 2009.

On behalf of the board

Managing Director
PERTH
24 September 2009

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
IMX RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of IMX Resources Limited, which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In note 1(a), the directors also state, in accordance with Australian Accounting Standard AASB 101 Presentation of Financial Statements, that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

(a) the financial report of IMX Resources Limited is in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2009 and of their performance for the year ended on that date; and
  (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 1(a).

Report on the Remuneration Report

We have audited the remuneration report included in pages 13 to 17 of the directors' report for the year ended 30 June 2009. The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001.* Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards

Auditor's opinion
In our opinion the remuneration report of IMX Resources Limited for the year ended 30 June 2009 complies with section 300 A of the *Corporations Act 2001.*

STANTONS INTERNATIONAL
(An Authorised Audit Company)

John Van Dieren
Director

West Perth, Western Australia
24 September 2009

Stantons International

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24 September 2009

Board of Directors
IMX Resources Limited
Level 2, 100 Railway Road,
Subiaco WA 6008

Dear Sirs

RE: IMX RESOURCES LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of IMX Resources Limited.

As Audit Director for the audit of the financial statements of IMX Resources Limited for the year ended 30 June 2009, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

STANTONS INTERNATIONAL
(Authorised Audit Company)

John Van Dieren
Director

Member of Russell Bedford International

ASX Additional Information

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 11 September 2009.

(a) DISTRIBUTION OF EQUITY SECURITIES

The number of shareholders, by size of holding, in each class of share are:

			Ordinary shares	
			Number of holders	**Number of shares**
1	-	1,000	**285**	**212,733**
1,001	-	5,000	**966**	**2,867,085**
5,001	-	10,000	**616**	**5,200,479**
10,001	-	100,000	**1068**	**35,469,704**
100,001		and over	**226**	**130,722,802**
			3,161	**174,472,803**
The number of shareholders holding less than a marketable parcel of shares are:			**471**	**485,305**

		Options	
		Number of holders	**Number of options**
100,001	and over	**11**	**11,500,000**
		11	**11,500,000**

There is no current on-market buy-back

(b) TWENTY LARGEST SHAREHOLDERS

The names of the twenty largest holders of quoted shares are:

		Listed ordinary shares	
		Number of shares	**Percentage of ordinary shares**
1	Jilin Tonghua Iron and Steel (Group) Mining Co., Ltd	**16,394,000**	**9.40%**
2	Anglo American Investments (Aust) Limited	**9,147,770**	**5.24%**
3	BT Portfolio Services Ltd	**5,120,000**	**2.93%**
4	Rogers, GA & Cook, MA	**4,599,069**	**2.64%**
5	Truscott, John Whitford	**3,769,068**	**2.16%**
6	J P Morgan Nominees Aust. Ltd	**3,190,147**	**1.83%**
7	Taycol Nominees Pty Ltd	**3,000,000**	**1.72%**
8	Moffatt, Allan Harvey	**2,711,412**	**1.55%**
9	ANZ Nominees Limited	**2,648,672**	**1.52%**
10	National Nominees Ltd	**2,261,148**	**1.30%**
11	HSBC Custody Nominees	**2,145,500**	**1.23%**
12	HFTT Pty Ltd	**1,944,522**	**1.11%**
13	Brywall Pty Ltd	**1,600,000**	**0.92%**
14	Your Child's Nursery Pty Ltd	**1,500,000**	**0.86%**
15	Darver Inv Incorporated	**1,450,000**	**0.83%**
16	Stern, RFT	**1,340,352**	**0.77%**
17	South Boulder Mines Ltd	**1,325,000**	**0.76%**
18	Edex Resources Pty Ltd	**1,311,794**	**0.75%**
19	Moffatt, Allan H & S M	**1,282,559**	**0.74%**
20	Melanto Pty Ltd	**1,170,000**	**0.67%**
		67,911,013	**38.93%**

ASX Additional Information

(c) SUBSTANTIAL SHAREHOLDERS

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Number of Shares
Jilin Tonghua Iron and Steel (Group) Mining Co. Ltd	**16,394,000**
Anglo American Investments (Aust) Limited	**9,147,770**

(d) VOTING RIGHTS

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands. Options have no voting rights until such time as they are exercised and shares issued.

(e) TENEMENT SCHEDULE

Tenement Number	Tenement Name	Locality	Group Ownership
EL3729	Warrina North	South Australia	100
EL3730	Warrina South	South Australia	100
EL3387	Mt Paisley	South Australia	100
EL3445	Kangaroo Dam	South Australia	100
EL3518	Mt Woods	South Australia	100
EL3530	Mt Brady	South Australia	100
ML 6303	Cairn Hill	South Australia	100
EL17/2007	Dunns	Tasmania	100
EL46/2006	Smithton	Tasmania	100
EL47/2006	Mt Frankland	Tasmania	100
EL48/2006	Mt Lileah	Tasmania	100
EL49/2006	West Montagu	Tasmania	100
E37/890		Western Australia	100
P37/7326		Western Australia	100
P37/7327		Western Australia	100
P37/7328		Western Australia	100
P37/7329		Western Australia	100
P37/7333		Western Australia	100
P37/7339		Western Australia	100
P37/7340		Western Australia	100
PL2242/2003	Wasosi	Tanzania	100
PL2376/2003	Katobala	Tanzania	100
PL2377/2003	Mibango	Tanzania	100
PL3390/2005	Mapuli	Tanzania	100
PL3403/2005	Mwese	Tanzania	100
PL3448/2005	Sinanga	Tanzania	100
PL3450/2005	Sipala Hill	Tanzania	100
PL3451/2005	Tembwe	Tanzania	100
PL3456/2005	Mnimba	Tanzania	100
PL3860/2005	Pembamwitu	Tanzania	100
PL4094/2007	Busonawae II	Tanzania	100
PL4303/2006	Kongamale	Tanzania	100
PL4306/2006	Mbuti	Tanzania	30
PL4307/2007	Namatutwa	Tanzania	30
PL4414/2007	Lipuyu	Tanzania	30
PL4415/2007	Nachihangi	Tanzania	30
PL4416/2007	Mjembe	Tanzania	30
PL4417/2007	Nangano	Tanzania	30
PL4418/2007	Noli	Tanzania	30
PL4419/2007	Namatumbusi	Tanzania	30
PL4421/2007	Lionja	Tanzania	30
PL4422/2007	Ntaka	Tanzania	30
PL4423/2007	Mnero	Tanzania	30
PL4424/2007	Mtua	Tanzania	30
PL4464/2007	Namajani	Tanzania	30

ASX Additional Information

PL4465/2007	Nambugu	Tanzania	30
PL4466/2007	Nambu	Tanzania	30
PL4485/2007	Lukuledi	Tanzania	30
PL4486/2007	Nanyindwa	Tanzania	30
PLR4224/2007	Iguzi West	Tanzania	100
PLR4305/2007	Mpinga	Tanzania	100
PL4468/2007	Mtpula	Tanzania	30
PLR4714/2007	Rappa	Tanzania	30
PL4917/2008	Mbangala	Tanzania	30
PL4918/2008	Lukumbi	Tanzania	30
PLR4890/2007	Nepanga	Tanzania	30
PL5447/2008	Noli SE	Tanzania	30
PL4908/2008	Lubalisi	Tanzania	100
PL5033/2008	Mahari A	Tanzania	100
PL5039/2008	Kampese	Tanzania	100
PL5054/2008	Mgabogabo	Tanzania	100
PLR5843/2009	Kamarandala	Tanzania	100
1656L		Mozambique	100
2378L		Mozambique	100
2379L		Mozambique	100
2484L		Mozambique	100
2486L		Mozambique	100
2487L		Mozambique	100
2488L		Mozambique	100