

26 October 2011

Snaefell RC Resource Drilling Completed

IMX Resources Limited (ASX:IXR) is pleased to report that the second phase of resource drilling has been completed at the Snaefell project in South Australia. A total of 31 reverse circulation (RC) holes for 7,790m were drilled to target a 2km strike extension, both east and west of the initial 'core area' at Snaefell, for which a maiden Inferred Resource of 109.8Mt @ 30.13% Fe (using a 27.5% Fe cut-off grade)¹ was announced on 12 October 2011.



Figure 1: Snaefell aerial photograph of drill rig at RC hole SFRC028

The recently completed drilling was designed to test an exploration target tonnage of 200-300 Mt at 28-35% Fe² additional to the maiden Inferred Resource. Most holes intersected significant intervals of magnetite mineralisation with samples despatched to the laboratory for analysis. An updated Snaefell resource is expected to be released in early 2012 once all analytical results have been received.

IMX Chairman, Johann Jacobs, commented that "Snaefell is developing as a major iron ore project. The initial results from Snaefell are encouraging and the project could potentially give IMX a presence in the Coober Pedy area for many years to come."

¹ Estimated according to JORC Code (2004) guidelines

² Target tonnage estimates are conceptual only. These figures are not resource estimates as defined by the JORC Code (2004) as insufficient exploration has been conducted yet to define a Mineral Resource.

Snaefell, 100% owned by IMX, lies 12km south west of the Cairn Hill iron-copper-gold mine and 55km south east of Coober Pedy in South Australia. The prospect is located within the Kangaroo Dam exploration licence EL4649 which is part of IMX's Mt Woods Project. The licence is subject to a joint venture agreement with OZ Minerals Limited (ASX: 13 April 2010) whereby IMX retains 100% of the iron ore rights and OZ Minerals is earning-in on the non-iron ore rights.



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Information in this public report that relates to the estimation of Mineral Resources is based on information compiled by Mr Robert Williams, and supervised by Ms Bianca Manzi. Mr Williams who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of Runge Limited, 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. Mr Williams and Ms Manzi consent to the inclusion of the data in the form and context in which it appears.

About IMX Resources Limited

IMX Resources Limited (ASX:IXR), headquartered in Perth, Western Australia, is listed on the Australian Stock Exchange (ASX). The Company has a current market capitalisation of approximately \$100m.

IMX is an active diversified mining company with a mine in South Australia, and exploration projects in South Australia, Tasmania, and Tanzania and Mozambique in East Africa. The Company is currently focusing its activities on steel and steel-related products and a core group of commodities, including iron-ore, nickel, copper and gold.

IMX is following a careful strategy to maximise shareholder value by discovering and developing ore bodies in its own right and by participating in quality exploration projects in joint ventures with others. Previously, IMX spun-off companies based on high potential non-core projects, while retaining a significant interest to provide exposure, and value, for IMX shareholders.

IMX owns 51% of the Cairn Hill mine on mining lease ML6303, 55 kilometres south-east of Coober Pedy, South Australia, close to the Darwin–Adelaide railway. Phase 1 is a unique magnetite iron–copper–gold Direct Shipping Ore project. The ore produces a premium coarse-grained magnetite product, with a clean saleable copper plus gold concentrate. IMX has a Phase 1 life of mine sales offtake agreement with the Sichuan Taifeng Group. A Phase 2 resource has been announced and the joint venture project group is currently accelerating the development program to commence production of a saleable $\pm 60\%$ Fe intermediate concentrate.

Beyond ML6303, IMX owns 100% of the iron ore rights on the Mt Woods project exploration licences. There is excellent potential for additional magnetite mineralisation reflected by the presence of a number of strong magnetic anomalies to the south, west and east of Cairn Hill. One of these targets is Snaefell. The immediate upside for Cairn Hill and Mt Woods remains the definition of further resources to support a long-term 3-5mtpa iron ore operation.

IMX has a joint venture with OZ Minerals for the non-iron ore rights on its Mt Woods tenements. OZ Minerals has 51% of the joint venture and must spend \$20 million over five years to retain this interest. OZ Minerals is targeting Prominent Hill style copper–gold mineralisation.

In Tanzania, IMX holds 100% of the Mibango nickel–copper–platinum project. IMX is currently undertaking field work to delineate drill targets in this highly prospective area.

IMX spun off 70% of the Nachingwea nickel–copper project in Tanzania into Continental Nickel Limited (TSXV:CNI) in 2007. IMX currently holds 37.0% of CNI and retains a 25% interest in the Nachingwea project through a joint venture company structure. IMX is currently participating in the JV funding requirements to maintain its 25% JV interest.

IMX owns 26.6% of Uranex NL (ASX:UNX), another spin-off from IMX. Uranex is a dedicated uranium company with assets in Australia and Tanzania. IMX has announced its intention to distribute the shares it owns in Uranex to its shareholders as an in specie distribution.

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