

29 February 2012

## **Environmental Scoping Study Submitted for Ntaka Hill Nickel-Copper Project, Tanzania**

**Joint Venture Project Update:-** IMX Resources Limited (ASX:IXR; 'IMX') reports that the Nachingwea Joint Venture has submitted an Environmental Scoping Study ('ESS') for the Ntaka Hill nickel-copper project to the National Environment Management Council ('NEMC') of Tanzania. This is the first step towards obtaining the necessary Tanzanian government environmental approvals to advance the Ntaka Hill Ni-Cu Project into production by mid 2015.

The Ntaka Hill project is part of the larger Nachingwea Joint Venture (JV) in southern Tanzania and is a 25:75 JV between IMX Resources Limited ('IMX') and Continental Nickel Limited ('CNI') of Canada.

The ESS is the first stage of community consultation and environmental site investigations into potential social and environmental impacts which require further investigation in the detailed Environmental and Social Impact Assessment ('ESIA'). It sets out the proposed Terms of Reference for further environmental and social studies that are required before project approval will be granted. The study will be reviewed by NEMC and once approved will form the basis on which the ESIA is conducted.

Tanzanian based environmental consulting group MTL Consulting Company Limited prepared the ESS and also conducted the various site investigations and environmental baseline studies. Coffey Environments Australia Pty Ltd has been appointed to provide ongoing peer review of the environmental studies and submissions to ensure that they are carried out to international standards for environment best practice.

The next steps for the environmental approval process will involve a second phase of community consultation, site investigations and baseline studies commencing in March 2012. These studies will form the basis of the ESIA which is scheduled for submission in the fourth quarter 2012.

Full details can be viewed in the CNI release to the TSXV attached below.

### **Nachingwea Holding Structure**

IMX's interest in the Nachingwea Ni-Cu JV Project is held through a direct 25% interest in the Tanzanian joint venture company, Ngwena Limited, and indirectly through a 37.2% interest in CNI. IMX funds its joint venture interest on a pro rata basis. CNI are manager and operator of the project.



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## About IMX Resources Limited

IMX Resources Limited (ASX: IXR) – is headquartered in Perth, Western Australia, is listed on the Australian Stock Exchange (ASX).

IMX is an active diversified mining company with an iron ore mining project in South Australia, and exploration projects in South Australia, Tasmania, as well as Tanzania and Mozambique in East Africa, focusing on iron-ore, nickel, copper and gold.

IMX owns 51% of the Cairn Hill mine, 55 kilometres south-east of Coober Pedy, South Australia close to the Darwin - Adelaide railway. Phase 1 is a unique magnetite Fe – Cu – Au DSO project. The ore produces a premium coarse grained magnetite product, with a clean saleable Cu / Au 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 completing a study into its development.

In Tanzania, IMX holds 100% of the Mibango nickel / copper / platinum project. IMX is currently undertaking extensive field work to understand the potential of this area.

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

IMX owns 25.5% of Uranex (ASX:UNX), a spin-off from IMX, which is a dedicated uranium company with assets in Australia and Tanzania.

Visit: [www.imxresources.com.au](http://www.imxresources.com.au)



## **Press Release**

### **Environmental Scoping Study Submitted for Ntaka Hill Nickel Project**

**TORONTO, ONTARIO (February 28, 2011)** - Continental Nickel Limited (TSXV:CNI) ("CNI" or the "Company") is pleased to announce the submission of the Environmental Scoping Study ("ESS") to the National Environment Management Council ("NEMC") of Tanzania for the Ntaka Hill Nickel Project (the "Project"). This is the first major step towards obtaining the necessary Tanzanian government environmental approval to take the Project into production in mid-2015.

The Project is part of the larger 75:25 exploration joint venture with IMX Resources Limited (ASX:IXR) for the Nachingwea Project in Southern Tanzania.

The ESS is the result of the first stage of community consultation and environmental site investigation to identify potential social and environmental impacts from the Project, which require further investigation and assessment in the detailed Environmental and Social Impact Assessment ("ESIA"). It sets out the proposed Terms of Reference for these further environmental and social studies that are required. The study will be reviewed by NEMC and once approved will form the basis on which the ESIA is carried out.

Tanzanian based environmental consulting group MTL Consulting Company Limited prepared the ESS and in parallel is conducting the various site investigations and environmental baseline studies for the Project. In addition Coffey Environments Australia Pty Ltd is providing an ongoing peer review of the environmental studies and submissions to ensure that they are carried out in line with CNI's environmental policy and international standards.

Mr. Stewart Watkins, Vice President, Projects commented, *"Submission of the Study is a major milestone in the development of the project. With the Company already being well advanced in carrying out the various environmental baseline studies we are on target for the submission of the ESIA and approval of our environmental permit in line with a schedule that will see the Project in production in mid-2015."*

*The Study and investigations carried out to date have not identified any unanticipated issues that may delay the project development. However, our investigations are ongoing and the Company will address any as yet unidentified environmental or social issues as part of its commitment to high standards of environmental and social responsibility "*

#### **Next Stages**

The next stages in the environmental approval process for the Project are:

- Review and approval by NEMC of the ESS and proposed Terms of Reference within two weeks.
- Second stage of community consultation and site investigations commencing March 2012.
- Wet season baseline studies commencing in April 2012.

- Preparation of ESIA and submission to NEMC, following public display in the project area, in the fourth quarter 2012.
- NEMC Technical Advisory Committee review of ESIA in fourth quarter 2012.
- Approval of ESIA and granting of Environmental Permit for the Project, by NEMC and the office of the Vice President, in the first quarter of 2013 (within 90 days of submission).

## **About Continental Nickel Limited**

*Continental is focused on the exploration, discovery and development of nickel sulphide deposits in geologically prospective, but under-explored regions globally. The Company's key asset is its 75% interest in the Nachingwea project in Tanzania, where Mineral Resources (Measured and Indicated) have been estimated at 60,900 tonnes of contained nickel, and an additional 131,000 tonnes of contained nickel in Inferred Mineral Resources (CNI press release April 15, 2011). The project is a 75:25 exploration joint venture between the Company and IMX Resources Limited.*

*The Company also has an option to joint venture on the St. Stephen project in New Brunswick, Canada where the 2010 diamond drill program discovered new Ni-Cu sulphide zones.*

*As at the date of this release, the Company has 42,738,508 common shares issued and outstanding (50,244,414 on a fully diluted basis) and trades on the TSX Venture Exchange under the symbol CNI. The Company remains well funded with over C\$9.4 million in the treasury as at December 31, 2011.*

On behalf of

### **Continental Nickel Limited**

"Dave Massola"

President and Chief Executive Officer

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