

25 October 2012

## IMX Resources Commences Drilling at Mt Woods Magnetite Project

### Highlights

- Targeting coarse high grade magnetite mineralisation
- New intensely magnetic targets identified
- Potential to increase Mt Woods Magnetite Project resource base
- 3000m RC drilling programme underway

IMX Resources Limited (ASX: IXR, TSX: IXR, IXR.WT) ('IMX' or the 'Company') has commenced drill testing of magnetic targets at the Mt Woods Magnetite Project. Several particularly strong magnetic anomalies have been identified lying approximately 25km southeast of IMX's Cairn Hill magnetite-copper-gold mine and 30km east of the Snaefell prospect, which currently has an Inferred Resource of 569Mt at 27.1% Fe (18% Fe cut-off).<sup>1</sup>

Managing Director Neil Meadows commented, "This new phase of exploration drilling is designed to test the strongest targets with the best potential for the quality high grade coarse magnetite that makes the Mt Woods Magnetite Project unique. This is consistent with our strategy to demonstrate the potential of the numerous untested magnetic targets within our tenements, and to significantly increase the resource base of the Mt Woods Magnetite Project to make it more attractive to a potential development partner."

Geophysical modelling from recent ground magnetics surveys indicates that four of the new targets have a greater magnetic intensity than the nearby Tomahawk prospect where up to 9m at 44.4% Fe was intersected in coarse magnetite earlier this year<sup>2</sup>. It is expected that coarse grained magnetite that is characteristic of the Mt Woods Magnetite Project will also be intersected at the new targets.

In addition to the magnetite potential, by increasing drill coverage of the most iron rich rocks this programme also has the potential to discover specular hematite in a style similar to Arrium Limited's Peculiar Knob mine, located just 20km to the south of IMX's Tomahawk prospect (Figure 1).

The reverse circulation (RC) drilling programme is expected to be completed during November with the results available in the first quarter of 2013.



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<sup>1</sup> ASX 1 March 2012

<sup>2</sup> ASX 25 January 2012

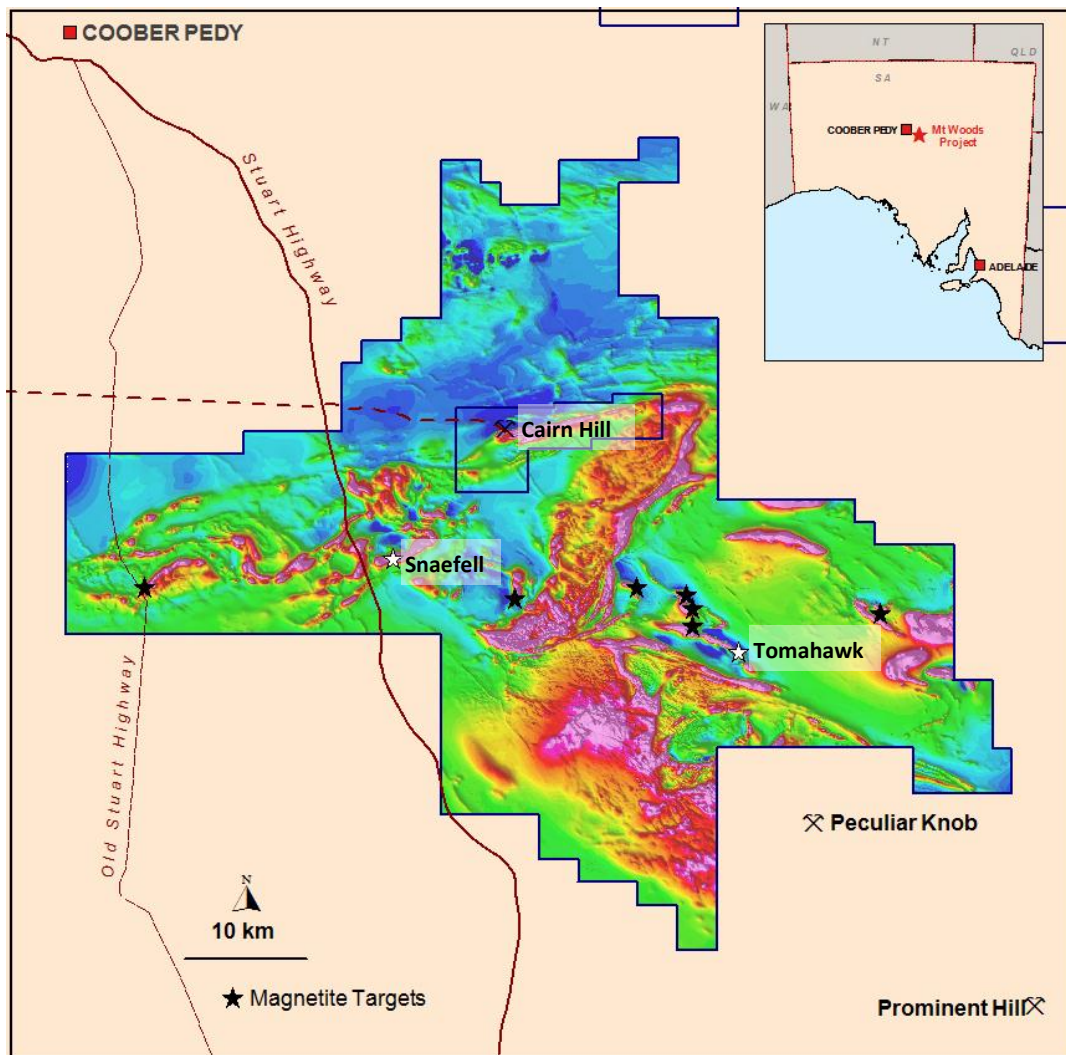


Figure 1. Mt Woods Location showing new magnetite drilling targets on reduced to pole (RTP) magnetics image.

#### Competent Persons / Qualified Person / NI 43-101 Statement

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.

#### About IMX Resources Limited

IMX Resources Limited is an Australian based mining and base & precious metal exploration company dual-listed on the Australian and Toronto stock exchanges (ASX/ TSX Code: IXR; TSX:IXR.WT), with exploration projects located in Australia, Africa and North America.

In Africa, IMX owns and operates the highly prospective Nachingwea Exploration Project in southeast Tanzania, which includes the potentially world-class Ntaka Hill Nickel Sulphide project. Nachingwea is highly prospective for nickel and copper sulphide, gold and graphite mineralisation. The Ntaka Hill Nickel Sulphide Project is one of the world's best undeveloped nickel sulphide projects and has the potential to produce a very clean, high quality premium nickel concentrate.

In Australia, IMX operates and owns 51% of the Cairn Hill Mining Operation, located 55 kilometres south-east of Coober Pedy in South Australia, where it produces a premium coarse-grained magnetite–copper–gold DSO product at a rate of 1.8Mtpa.

IMX is actively developing the Mt Woods Magnetite Project on the highly prospective Mt Woods Inlier in South Australia. IMX currently has a JORC Inferred Resource of 569Mt @ 27% Fe at the Snæfell Magnetite Deposit and a Global Exploration Target of between 200-380Mt @ 25-35% Fe elsewhere in the project. Studies indicate that coarse grained concentrates

that could be produced at Snaefell have the potential to produce a direct sinter feed product which has the potential to attract a significant price premium.

IMX has also entered into a joint venture with OZ Minerals (the Mt Woods Copper-Gold JV Project) to explore the Mt Woods tenements for copper and gold. OZ Minerals is spending a minimum of \$20M for a 51% interest in the non-iron rights, with IMX retaining a 49% interest in the non-iron rights and 100% of the iron ore rights.

IMX owns 25.65% of Uranex (ASX: UNX), which is a dedicated uranium exploration company, which is developing the Mkuju Uranium project in southern Tanzania.

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These forward-looking statements are based on certain assumptions, the opinions and estimates of management and qualified persons at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements or information. These factors include the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other geological data, fluctuating metal prices, the possibility of project cost overruns or unanticipated costs and expenses, the ability of contracted parties (including laboratories and drill companies to provide services as contracted); uncertainties relating to the availability and costs of financing needed in the future and other factors. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Exploration Target tonnage quantity and grades estimates are conceptual in nature only. These figures are not resource estimates as defined by the JORC (2004) or NI 43-101, as insufficient exploration has been conducted to define a mineral resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource.

IMX undertakes no obligation to update forward-looking statements or information if circumstances should change. The reader is cautioned not to place undue reliance on forward-looking statements or information. Readers are also cautioned to review the risk factors identified by IMX in its regulatory filings made from time to time with the ASX, TSX and applicable Canadian securities regulators