

24 April 2013

Report for the Quarter Ended 31 March 2013

IMX Resources Limited (“**IMX**” or the “**Company**”) and including its subsidiaries (the “**Group**”) is pleased to report on the activities of the Group for the third quarter ended 31 March 2013. All amounts are expressed in Australian dollars, unless otherwise stated

HIGHLIGHTS

Cairn Hill Operations

- Record positive cash flow of \$13.4 million from operations
- Commencement of distributions to joint venture partners (combined \$5.8 million)

Ntaka Hill Nickel Sulphide Project

- Significant new nickel sulphide intersections returned from last drilling campaign at Zeppelin
- Current Zeppelin strike extent approximately 450m, open along strike and down dip
- Zeppelin consists of near-surface mineralisation which may be amenable to open-pit mining
- Exploration camp at Ntaka Hill opened three months earlier than in previous campaigns to enable consultant reviews and soil sampling to recommence
- Geophysical equipment purchased to enhance exploration efforts in future field seasons, utilising down-hole electromagnetic survey techniques to search for massive sulphides at depth and surface based induced polarisation surveys to search for higher grade near surface disseminated sulphides
- Sample preparation laboratory purchased for installation at Ntaka Hill as a first step in reducing sample analysis turnaround to under one month
- Prospecting Licence PL 4422/2007 covering the Ntaka Hill project area was renewed

Mt Woods Exploration and Development

- Consistent, thick, coarse-grained magnetite intersected at Axehead and Tomahawk North from drilling in late 2012
- Metallurgical test work at Snaefell indicated significant improvement in metallurgical performance
- Positive results from benchmarking study
- Scoping Study commenced on various development options

Corporate

- Termination of revolving line of credit ahead of schedule
- Experienced Country Manager appointed in Tanzania
- Appointment of Azure Capital Limited (“**Azure**”) to advise on the strategic commercial options for the Mt Woods Project

OPERATIONS

Cairn Hill Joint Venture (IMX – 51%)

Summary information on production and shipments for the quarter is shown in Table 1 (figures represent the full (100%) results of the Cairn Hill Joint Venture (the 'Cairn Hill JV')).

Table 1. Cairn Hill JV: Production and shipment performance for the March quarter 2013

	March Quarter 2013	December Quarter 2012	Full Year to Date	Comparison with Previous Quarter
Waste removed (BCM)	309,213	375,520	1,338,723	(17.7%)
Waste and Ore (BCM)	402,193	477,237	1,640,618	(15.7%)
Ore Mined (tonnes)	399,816	437,382	1,298,150	(8.6%)
Ore Crushed (tonnes)	365,324	484,293	1,277,801	(24.6%)
Road Haulage (tonnes)	356,849	481,818	1,288,661	(25.9%)
Rail Haulage (tonnes)	434,554	422,601	1,311,270	2.8%
Ore Shipped (tonnes)	455,149	388,570	1,299,190	17.1%

Operations

The Total Recordable Injury Frequency Rate increased to 10.5 during the quarter (December quarter 2012: 4.82). This was a disappointing outcome and the Company continues to work with its contractors to improve safety performance. The mining contractor has submitted a 'Safety Action Plan' to address performance.

Mining continued to be concentrated on Pit 1. Total volumes mined were less than the mine schedule, primarily as a result of rainfall that occurred during February and March. These rainfall events also impacted crushing and road haulage, with 358 hours of road access lost due to rain. Notwithstanding issues with road access, there was no adverse impact on tonnes shipped for the quarter and there is no expectation that there will be an impact on shipping rates for the next quarter.

For the remainder of the financial year, the mine plan is expected to continue to focus on developing Pit 1 at the current rate of mining activity. Pre-stripping activities in Pit 2 were again kept to a minimum, without impacting upon ore mining or shipping rates. The mine plan is reviewed each month to maintain the optimum combination of ore accessed from Pit 1 and development of Pit 2.

In accordance with the Company's shipping schedule, six vessels were loaded during the quarter, with an average cargo size of 75,858 wet metric tonnes (wmt) which exceeded the target of 75,000 wmt.

Six vessels are scheduled for the June quarter and for the financial year ended 30 June 2013, it is anticipated that total tonnes shipped for the year will be approximately 1.75Mt.

CIF costs averaged \$94 per tonne shipped (equivalent to \$79 per tonne on a FOB basis), which was consistent with the Company's forecast. FOB costs for the second half of the financial year are forecast to remain at approximately \$80 per tonne.

Stockpiles

At the end of the quarter, ore stockpiles carried a value of approximately \$13.2 million (31 December 2012: \$17.0 million), with the breakdown by stockpile location shown in Table 2. The decrease in the value of ore stockpiles was due to shipping volumes being in excess of tonnes mined during the quarter.

Table 2. Ore stockpiles at 31 March 2013

	Pre-Crusher	Post Crusher	Rankin Dam	Port Adelaide
Stockpile (tonnes)	135,955	52,025	58,644	38,442

Sales and Marketing

Demand for Cairn Hill ore remained extremely competitive during the quarter, with sales to four different customers. Strong interest continues to be seen for cargo placement in 2013.

During the quarter, there was a spike in the spot price of 62% Fe ore to US\$160 per tonne, however this was short lived and by the end of the March quarter, the price had settled to US\$137 per tonne, a decrease of 6% from the start of the quarter. During the same period, the copper price decreased by 4% to US\$7,582 per tonne.

Cash Flow

Record positive cash flows of \$13.4 million were generated from the Cairn Hill operation, despite the continued strength of the Australian dollar. This was a result of firm iron prices, combined with improved commercial terms received from new buyers.

Distributions to the Cairn Hill JV partners commenced during the quarter, with a total of \$5.8 million distributed between IMX (51%) and Taifeng Yuanchuang International Development Co. Ltd (“**Taifeng**”) (49%) respectively. The remaining positive cash flow was used to bolster the Cairn Hill JV’s cash reserve.

EXPLORATION

1. Nachingwea Property, Ntaka Hill (IMX 100%)

Zeppelin

A drilling campaign at the Zeppelin prospect was completed in November 2012 which consisted of nineteen diamond holes for 3,283m. This drilling campaign tested a target generated by re-examination of previous drill hole and soil sampling results.

The Zeppelin drilling returned results including¹:

- 37m at 0.71% Ni and 0.15% Cu from 129m including 8m at 1.13% Ni and 6m at 1.65% Ni
- 26.7m at 0.77% Ni and 0.15% Cu from 93m including 2.1m at 2.8% Ni
- 30.1m at 0.69% Ni and 0.16% Cu from 123m including 2.1m at 1.87% Ni
- 60m at 0.46% Ni and 0.11% Cu from 39m including 5m at 1.01

The work confirmed a strike extent of approximately 450m and remains open along strike and down dip.

¹ ASX news release 13 April 2013

An upgraded Mineral Resource estimate for Ntaka Hill will incorporate the results from the November 2012 drilling, with the Company expected to complete this work during the June quarter, at which time an assessment of open-pit mining potential may also be made.

Going forward, the Company plans to use existing electro-magnetic conductor data, soil geochemistry, gravity data and other historic exploration data as key elements of its strategy to identify new drill targets.

Independent consultants review at Ntaka Hill

Dr Stephen Barnes, lead scientist of the Earth Science and Resource Engineering Division of CSIRO, and Mr Jon Standing of Jigsaw Geoscience Pty Ltd, were engaged by the Company to enhance its understanding of the mineral systems at the Ntaka Hill Project and to inform the identification of targets for the proposed 2013 exploration program. Both Dr Barnes and Mr Standing spent time at Ntaka Hill during February 2013.

Mr Standing, a consulting structural geologist, took structural measurements on oriented drill core in order to provide an interpretation on the structural history of the intrusion and how this may have affected the localisation of the sulphide ore, including a more detailed understanding of the country rock structural morphology and history.

Dr Barnes undertook a detailed visual and geochemical analysis of the primary rock types of the Ntaka intrusion and their relationships to metal tenors in the sulphide ores and recommended a classification of rock types for use in core logging.

The combined interpretation of the resultant reports from these respected independent consultants, together with on-going consultation will contribute strongly to the Company's exploration efforts at Ntaka Hill.

Ntaka Hill - Lionja gravity survey and soil sampling

A gravity survey carried out during the previous quarter over the Ntaka Hill-Lionja trend indicates that a significantly larger area of the prospective ultramafic rocks associated with Ntaka Hill may exist across the Nachingwea project. The newly interpreted ultramafic rocks provide a much-increased target area for nickel-sulphide exploration within the project area.

A gravity survey completed at Lionja, located approximately eight kilometres south of Ntaka Hill, that was completed in November 2012 and which followed drilling in July 2012, resolved a coherent and very large gravity high in the area with a significant gravity gradient on the western boundary of the gravity high, interpreted as a major north-south structure.

During the quarter, approximately 3,000 soil samples from Lionja were processed and sent to ALS Johannesburg for analysis, with results expected in late April 2013. It is intended that field mapping be completed in late May, together with integration of satellite interpretation and interpretation of the gravity and soil geochemistry results which will re-direct nickel sulphide exploration in the area.

Ntaka Hill - Lionja exploration program

The exploration camp located at Ntaka Hill was this year re-opened three months earlier than has previously been the case to allow for exploration activities to commence early in the season. Work concentrated on the reviews and soil geochemistry aspects detailed above as well as camp improvements particularly from a safe work perspective. The drilling program for 2013 will commence in early May as planned with the mobilisation reverse circulation and diamond drilling rigs (one of each).

IMX has also committed to the purchase of ground and down-hole geophysical equipment to enable continuous work in the region to be carried out during future field seasons. The depth potential for mineralisation at Ntaka Hill remains relatively unknown due to down-hole techniques only being

applied over relatively short periods at the end of previous drilling campaigns. The application of modern down-hole electromagnetic survey techniques is intended to assist IMX in understanding the depth potential for massive sulphides at Ntaka Hill.

Ground based surveys utilising induced polarisation techniques for which the purchased equipment will also be capable, have been recommended as the optimum technique to apply to the exploration for elevated grade disseminated mineralisation, such as has been discovered to date at Ntaka Hill.

IMX has also committed to the purchase of a semi-mobile sample preparation laboratory for installation at Ntaka Hill as a first step in reducing the turnaround time for sample analyses to less than one month. This will enable IMX to adjust its drilling campaign based on relatively fast turnaround times for samples generated during a field season rather than previous practice of setting out at the commencement of a drilling season with a fixed scope for drilling. This added flexibility is intended to enhance exploration outcomes during future drilling seasons.

Ntaka Hill Prospecting Licence

Subsequent to the end of the quarter, the Prospecting Licence PL 4422/2007 covering the Ntaka Hill project area was renewed effective 7 April 2013. This renewal provides for the licence to be valid for IMX to continue its exploration and project development work for a further two years.

2. Nachingwea Property, Regional Targets (IMX 100%)

During the quarter, IMX employed a senior geologist who will focus solely on following up regional targets, which during the 2013 field season will involve:

- Analysis of satellite imagery to identify outcrop;
- Analysis of existing VTEM anomalies;
- Extensive regional soil sampling over targets; and
- Potentially follow up on the most prospective targets with reverse circulation drilling.

3. Mt Woods Magnetite Project-Regional Targets (IMX 100%)

Twenty-five reverse circulation holes for 3,486m drilled during late 2012 all returned significant magnetite iron intersections from five prospects near the Tomahawk prospect and Fitzgerald Dam. Results include 114m @ 32.1% Fe, 125m @ 33% Fe and 96m @ 32.4% Fe from Axehead, Penrhyn and Tomahawk North respectively (maximum 4m internal dilution, XRF Total Fusion by Amdel)².

The magnetite-quartz formations were found to have relatively consistent iron grades across their full width, with the formations also displaying minimal weathering of the magnetite mineralisation.

The iron formations remain open at depth and, like the Tomahawk magnetite deposit, the magnetite at Axehead and Tomahawk North is coarse-grained. The Tomahawk area prospects have to date shown higher average iron grades, minimal oxidation of magnetite and more shallow overburden compared to the Snaefell deposit.

The results from the drilling have increased the Mt Woods Project exploration target tonnage by 168Mt-214Mt. When combined with the existing Inferred Mineral Resource at Snaefell and a review of regional magnetics data and historical exploration drilling, the global exploration target tonnage now totals 1.5-1.8 billion tonnes at 25-32% Fe³.

² ASX news release 27 March 2013

³ ASX news release 27 March 2013

4. Mt Woods Copper-Gold Joint Venture Project, South Australia (IMX 49%)

The Mt Woods Copper-Gold Joint Venture Project (the 'Mt Woods JV') is a joint-venture between IMX (49%) and OZ Minerals Limited ('Oz Minerals') (51%). Under the Mt Woods JV, OZ Minerals must spend \$20 million over a five year period commencing on 1 May 2010 in order to earn their 51% interest.

No exploration was conducted during the March quarter and as at 31 March 2013, Oz Minerals had spent approximately \$14 million.

OZ Minerals has submitted a proposal to spend \$2.6 million on the Mt Woods JV during year four, with a focus on the Southern Domain where 4,300m of diamond core drilling is planned.

5. Deep drilling at Cairn Hill

The Company reached agreement with a drilling services provider for drilling to commence in April 2013, targeting copper and gold mineralisation beneath its Cairn Hill mine, with three holes planned to be drilled: two diamond core drill holes to test two target zones identified from structural mapping and electro-magnetic modelling below Pit 1 and planned Pit 2 and a third hole to test a strong magnetic anomaly 1km west of the Cairn Hill mine along strike of the main copper-gold-magnetite lode.

6. Tasmania-NW Nickel Project (IMX 96%)

The Company has begun the process of relinquishing its Tasmanian tenements, with preparation of final reports during the June quarter in order for the relinquishment to be completed.

7. Mibango Nickel Project, Tanzania (IMX 100%)

No exploration was conducted during the March quarter.

8. Milange Nickel-Copper-PGE Project, Mozambique (IMX 100%)

A field investigation is planned to commence by mid 2013 to assess the results of the soil sampling program conducted in 2012 as well as the general prospectivity of the project.

9. St. Stephen Nickel-Copper Joint Venture Project, Canada (IMX earning up to 75%)

As part of the acquisition of Continental Nickel Limited ('CNI'), the Company acquired CNI's interest in the St. Stephen Ni-Cu Project located in south western New Brunswick, Canada.

No exploration was conducted during the March quarter.

DEVELOPMENT PROJECTS

1. Ntaka Hill Nickel Sulphide Project, Tanzania (IMX 100%)

During the quarter the following evaluation and development work on the Ntaka Hill Nickel Sulphide Project progressed:

- Continued definitive metallurgical test work at the laboratory of G&T Metallurgical Services in Canada. This work included development of a definitive flowsheet for the processing of all mineralised zones and collection of samples from the newly discovered Zeppelin deposit which are currently being shipped to the laboratory for testing;
- Completion of the preliminary mining geotechnical evaluation;
- Completion of the analysis of the preliminary sterilisation drilling, which indicated that the currently proposed locations of key infrastructure are suitable;

- Continuation of the analysis of the hydrogeology for the site in terms of project water supply and potential environmental impacts on ground water;
- Continuation of the preparation of the Environmental and Social Impact Assessment, with submission to the Tanzanian Government expected during the June quarter 2013;
- Liaison with local authorities and communities on the Relocation Policy Framework; and
- Commencement of the delivery of community development projects, which include the refurbishment of a well and community buildings in the local village of Lionja.

2. Mt Woods Magnetite Project, South Australia (IMX 100%)

Results of metallurgical test work on diamond drill core from the Snaefell deposit were received during the quarter, the key findings of which included:

- An increase in anticipated overall yield from previous test work programs from approximately 22% to approximately 28.5%;
- High-grade, low impurity magnetite concentrate of above 68.5% iron grade was produced at a relatively coarse grind size of 75 to 80 micron (P80);
- Confirmation of the ability to beneficiate mill feed to around 35% iron grade through dry magnetic separation on crushed product; and
- Confirmation that coarse direct sinter feed product at 65% iron can still be produced with the same flow sheet, thereby yielding an option to maximize project returns.

The increased projected yield is expected to reduce overall operating costs for the processing of Snaefell ore.

Also during the quarter, a scoping study for the development of a project at Snaefell commenced (the “**Snaefell Scoping Study**”). The Snaefell Scoping Study builds on work previously carried out for the internal Concept Study which was completed in August 2012 and as a result, is anticipated to involve only modest expenditure to complete.

The Snaefell Scoping Study will consider three development options, ranging from 1.8Mt per year of product, matching the current production from the Cairn Hill Mine, to 4.7 or 9.4Mt per year and is expected to be completed in mid-2013.

3. Cairn Hill Phase 2 (IMX 51%)

No further work was conducted on the Cairn Hill Phase 2 project during the March quarter.

CORPORATE

Cash flow

As at 31 March 2013, the Group had cash at bank of \$15.3 million broken down in Table 3 below:

Table 3. Cash Position

	\$m
IMX Resources	2.0
Termite Resources NL – the Cairn Hill JV (51% IMX)	13.3
Consolidated	15.3

Termite Resources NL also had approximately \$9.6 million of creditors payable and \$2.5 million of debtors receivable shortly after the end of the March quarter.

The highlight of the quarterly cash flow was the net cash inflow from 100% of Cairn Hill operations of \$13.4 million for the quarter. This resulted in the commencement of distributions to the Cairn Hill joint venture partners in accordance with their shareholdings. Distributions will initially take the form of repayment of both the IMX and Taifeng shareholder loans with the joint venture entity, which at the end of the quarter stood at \$18.4 million and \$17.6 million respectively.

The March quarter also saw the remainder of costs relating to the acquisition of CNI together with a repayment of creditors completed, with the forecast corporate costs in the Appendix 5B an accurate reflection of the current level of corporate costs going forward.

Investments

Based on a share price of \$0.07 per share, the value of IMX's investment in Uranex Limited stood at \$3.7 million at the end of the quarter.

Completion of Mt Woods benchmarking study

During the quarter, IMX appointed Azure as its corporate advisor.

One of Azure's first tasks was to assist IMX in an evaluation of the Mt Woods Magnetite Project, prior to advising the Company on the strategic commercial options for the project. The results of the benchmarking study carried out by Azure for the Mt Woods Magnetite Project were very positive with the project comparing favourably against domestic and international peers over a range of metrics.

The outcomes of the benchmarking study resulted in a recommendation to finalise a Scoping Study on the project which will outline three difference scale development scenarios. The benchmarking study highlighted the attractiveness of the approximately 1.8Mt per year scenario, due to its extremely attractive capital intensity as a result of the utilisation of existing Cairn Hill infrastructure.

Retention of Mt Woods JV

During the quarter, IMX announced that it was not proceeding with the sale of its 49% interest in the Mt Woods JV to Oz Minerals.

As a consequence, IMX retains 100% of the iron ore rights and 49% of the non-iron ore rights over the Mt Woods JV, along with legal title to all of the Mt Woods JV exploration licenses.

Appointment of Country Manager, Tanzania

During the quarter, IMX announced the appointment of Heavenlight Edward Kavishe ("**Kavishe**") as Country Manager, Tanzania, reporting to the Company's Managing Director, Neil Meadows.

As Country Manager, Kavishe will be responsible for general administration at IMX's offices in Dar es Salam, where he will be based, and will work closely with Tanzanian government authorities and industry stakeholders. Kavishe will also support the Company's activities in community relations and regulatory and legal compliance.

Termination of Revolving Line of Credit

During the quarter, the Revolving Line of Credit with LinQ Resources Fund, which was fully repaid by Termite Resources NL in December 2012, was terminated. The Line of Credit was due to expire on 30 May 2013 but was fully repaid in December 2012, well short of the facility's term.



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About IMX Resources Limited

IMX is an Australian based mining and base and precious metals exploration company, listed on the Australian Securities Exchange and the Toronto Stock Exchange (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 south-eastern Tanzania, which includes the potentially world-class Ntaka Hill Nickel Sulphide project, located approximately 250km west of the port town of Mtwara. 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 un-developed 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 Snaefell Magnetite Deposit and a Global Exploration Target of between 900Mt-1,200Mt @ 20-32% Fe elsewhere in the project. Studies indicate that coarse grained concentrates that could be produced at Snaefell, have the potential to attract a significant price premium.

IMX has a joint venture with OZ Minerals Limited ('**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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Cautionary statement: The TSX does not accept responsibility for the adequacy or accuracy of this news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

Forward looking statements: This news release includes certain "forward-looking statements". Forward-looking statements and forward-looking information are frequently characterised by words such as "plan," "expect," "project," "intend," "believe," "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may", "will" or "could" occur. All statements other than statements of historical fact included in this release are forward-looking statements or constitute forward-looking information. There can be no assurance that such information or statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such information. Important factors could cause actual results to differ materially from IMX's expectations.

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.

Competent Persons / Qualified Person / NI 43-101 Statement

Information relating to Australian exploration results is based on data compiled by Mr Peter Hill who is a Member of the Australian Institute of Geoscientists, and who is a full-time employee of the Company. Mr Hill 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 Hill approves and consents to the inclusion of the data in the form and context in which it appears.

Information in this announcement relating to exploration results in Tanzania is based on data collected under the supervision of, or compiled by, Patricia Tirschmann, P. Geo., who, at the time the exploration results were announced, held the position of Vice President, Exploration and was a full-time employee of IMX. Ms. Tirschmann is a registered member of the Association of Professional Geoscientists of Ontario and has sufficient relevant experience to qualify as a Competent Person under the 2004 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ms. Tirschmann approves and consents to the inclusion of the data in the form and context in which it appears.