

4 April 2014

## New hematite occurrence at Mt Woods Project emphasizes DSO exploration potential

### 8.4 metres @ 59.1% Fe

IMX Resources (ASX: IXR, TSX: IXR, IXR.WT) is pleased to advise that it has identified a significant occurrence of high-grade hematite from previous drilling at its **Mt Woods Project**, located near its operating Cairn Hill Mine in South Australia.

The recent extension of the Cairn Hill Mine (see ASX announcement 1 April 2014) and exploration for direct shipping hematite are key pillars in the Company's strategy to establish a minimum five year life at the Cairn Hill operation. This occurrence enhances confidence that further discoveries of direct shipping hematite ore ("**DSO**") on the Mt Woods tenements will be made, supporting the Company's ongoing exploration efforts in the region.

The intersection was identified in core drilled by former JV partner OZ Minerals Limited ("**OZ Minerals**") who were exploring for copper. Assaying of the hematite rich interval returned:

**8.4 metres @ 59.1% Fe** (from 406.7m, see Table 1).

This intersection at Fyans is too deep and narrow to be of direct economic significance, but clearly demonstrates that the geochemical processes that created Arrium's hematite mineralisation at Peculiar Knob were also active on the Mt Woods tenements.

IMX only recently took possession of the core and visual inspection of the iron-rich intersection from the **Fyans Prospect** (hole DD12FYA002) confirmed strong mineral and textural similarities with the style of hematite mineralisation at Arrium Limited's nearby Peculiar Knob mine. The Fyans Prospect is located approximately 11km south-west of Peculiar Knob (see Figure 1).

IMX's recent DSO exploration work has shown that gravity surveys and magnetics data are reliable and cost-effective exploration tools for hematite under cover (see ASX announcement 21 March 2014). Since announcing this exploration information on 21 March 2014, IMX is not aware of any new information or data that materially affects the information included in that announcement.

**Table 1: Hematite Fe% intercepts in hole DD12FYA002 – Fyans Prospect**

Hole	From	To	Width	Fe %	P %	S %	SiO <sub>2</sub> %	Main iron mineral
DD12FYA002	384.0	389.3	5.3	49.80	0.03	0.02	20.75	Magnetite
DD12FYA002	406.5	414.9	<b>8.4</b>	<b>59.10</b>	0.04	0.10	11.70	Hematite
Includes	411.0	414.9	3.9	61.30	0.04	0.14	8.42	Hematite
Intersections calculated using ≥30% Fe, Internal waste ≤4m, for details of sampling techniques, see Appendix 1.								

Managing Director Gary Sutherland said the discovery of a significant interval of high-grade DSO hematite from historical drilling was an important development.

“While this intersection in itself is not economic, it provides conclusive evidence that high-grade coarse specular hematite mineralisation does indeed occur on our Mt Woods tenements.

“It provides further encouragement to apply the geophysical techniques over the Company’s large Mt Woods tenement package.

“This reinforces the validity of our broader strategy which is aimed at building on the strong foundations of our existing South Australian iron ore business to create a minimum five-year life for our Cairn Hill operation,” he added.

**Gary Sutherland**  
**Managing Director**

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**Competent Person’s Statement**

Information in this announcement relating to exploration results in connection with the Mt Woods hematite exploration program 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 IMX. Mr Hill has sufficient relevant experience to qualify as a Competent Person under the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves and as a qualified person under Canadian National Instrument 43-101. Mr Hill approves and consents to the inclusion of the information in the form and context in which it appears.

**About IMX Resources Limited**

IMX Resources Limited is an Australian-based mining and exploration company, listed on the Australian Securities Exchange and Toronto Stock Exchange (“TSX”), with projects located in Australia and East Africa.

In Australia, IMX operates and owns 51% of the Cairn Hill Mine, located 55km 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. This operation generates cash flow which underpins the IMX investment proposition.

IMX is also actively exploring for direct shipping hematite at its Mt Woods tenements, located near the Cairn Hill Mine, and progressing development options for its Mt Woods Magnetite Project. Studies indicate that a smaller scale, lower cost project may be developed utilising existing infrastructure already in use at the Cairn Hill Mine. Efforts to secure a partner to support development of the Mt Woods Magnetite Project are continuing.

In Africa, IMX owns the highly prospective Ntaka Hill Nickel Sulphide Project, located within the broader 6,800km<sup>2</sup> Nachingwea Exploration Project in south-eastern Tanzania which is prospective for nickel and copper sulphide, gold and graphite mineralization. Ntaka Hill is a potentially world-class nickel sulphide project which is being explored under a US\$60 million exploration joint venture with MMG Exploration Holdings Limited.

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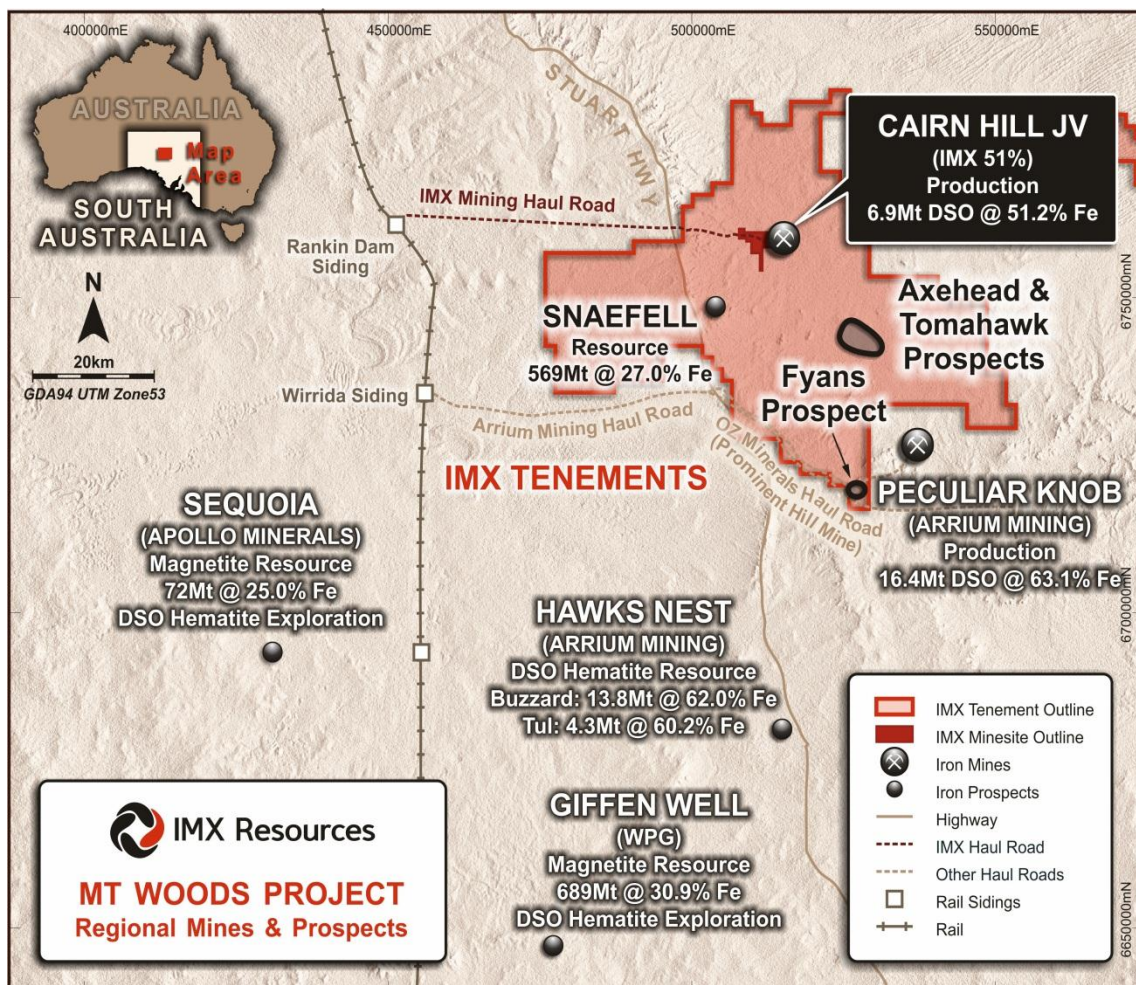
**Cautionary statement:** The TSX does not accept responsibility for the adequacy or accuracy of this news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

**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 geological data, fluctuating metal prices, the possibility of project cost overruns or unanticipated costs and expenses, the ability of contracted parties to provide services as contracted, uncertainty concerning relevant regulatory approvals, uncertainties relating to the availability and costs of financing needed in the future and other factors.

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.

**Figure 1. Location of Fyans Prospect at Mt Woods with infrastructure and regional deposits/prospects**



**Appendix 1: JORC 2012 Table 1**  
**Section 1. Sampling Techniques and Data**

<b>Criteria</b>	<b>Commentary</b>
Sampling techniques	<ul style="list-style-type: none"> <li>• NQ2 Diamond drill core, third-core cut parallel to the orientation line. Sampling intervals a nominal 2 m except where modified by geologist to match rock type and mineralisation changes.</li> <li>• Depth of sample measured by summation of sub-surface lengths of drill rods.</li> <li>• Recovery of core estimated visually and measured to 1 cm accuracy.</li> <li>• All basement rock was sampled for analysis. Cover sediments are know not to be mineralised and were not sampled.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>• Diamond core drill rig, standard tube, core barrel retrieved by wireline at intervals no greater than 6.4 m.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>• Recovery of core estimated visually and checked by measuring total core lengths. Core recoveries averaged 100%.</li> <li>• There is no selective loss of minerals from core during the drilling process.</li> <li>• Core is representative of intersected rocks.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>• Geological logging of whole core describing lithology, weathering, grain size, alteration, mineralogy, colour, sample quality. Core allows for excellent preservation of geological features and relationships.</li> <li>• Magnetic susceptibility measurements, Specific Gravity measurements (Archimedes method).</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• Core was orientated using an ACE tool and processed by OZ Minerals technicians and geologists (logging, core orientation line, core drill depth metre marking, S.G., recovery, core tray marking).</li> <li>• 1/3 Core cutting, 1/3 core bagged according to sampling interval for submission to laboratory.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• A standard or a duplicate or a blank was inserted (alternating successively) in a routine sequence.</li> <li>• Standards were specifically for copper and gold mineralisation. Coarse and pulp blanks were used.</li> <li>• All samples were analysed by Genalysis Adelaide.</li> <li>• For each sample a suite of assays analysed 35 elements. Iron was analysed by method FS/OES105 (or FB/OE), fusion at 1000deg C, with an acidic finish and solution presented to ICP-OES.</li> <li>• Laboratory QAQC consisted of standards, blanks and laboratory duplicates (both coarse and pulp) used at a ratio of 1 in 20. The QAQC sample results showed acceptable levels of accuracy and precision.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• Independent verification has not been undertaken on these results, independent review will take place during resource modelling.</li> <li>• Assay results from digital files reported by Intertek were loaded into Datashed database by IMX database manager in Perth.</li> <li>• Below detection limit values have been replaced by the negative of the detection limit for each element.</li> <li>• Primary data was recorded on paper at the rig then entered into datalogger with templates (validation formatted).</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>• Drill holes collar have been surveyed by OZ Minerals using a differential GPS, +- 0.01m error for Easting and Northing and +- 0.02 for elevation.</li> <li>• Down-hole surveys were undertaken using single shot digital Reflex EZ-Trac tool, a magnetic based multi shot survey instrument with a reading taken approximately every 30 metres. Grid system is GDA94 UTM Zone 53 datum.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>• DD12FY002 was a single hole into the magnetic target.</li> <li>• The nearest two holes DD12FYA003 and DD12FYA002 were located approx. 1.4 km to the west and 1.5 km to the south respectively.</li> </ul>

### Section 1. Sampling Techniques and Data (cont.)

Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>• Drill hole was orientated to cross orthogonal to the interpreted strike of the magnetic anomaly.</li> <li>• The hole averaged a -72 degree dip which is close to the -60 degree standard diamond drill rig dip and is suitable for estimating the true thickness of vertical bodies such as in this report. The drilling orientation is adequate for a non-biased assessment of the deposit with respect to interpreted structures and interpreted controls on mineralisation.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>• Labelling and submission of samples complies with industry standard</li> <li>• OZ Minerals employees and contractors delivered the samples directly to the Prominent Hill exploration depot for processing and sampling. The labelled core trays were delivered to IMX depot in Coober Pedy.</li> <li>• IMX has received all exploration data associated with this core and JV exploration programs.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>• No Audits have been conducted on this data.</li> </ul>

### Section 2. Reporting of Exploration Results

Criteria	Explanation
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>• The exploration results reported in this announcement are from work carried out on Exploration Licence 4706 under Joint Venture with OZ Minerals but now owned 100% by IMX subsequent to the termination of the JV in October 2013.</li> <li>• A heritage survey gave clearance to the drilling of these holes authorised by a Native Title Mining Agreement with the Antakirinja.</li> <li>• IMX has a deed of Access with the Department of Defence that allows IMX access to explore the tenements in the Woomera Prohibited Zone.</li> <li>• The tenement is in good standing.</li> <li>• The term 'Mt Woods Project' refers to the seven exploration licences near Coober Pedy held by IMX.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>• The basement rock in area subject of this report has not been explored in the past. Historical hole 83ER18 drilled 0.5km north of DD12FYA002 failed to intersect basement.</li> <li>• This drill program is the first program to target the magnetite body at Fyans Prospect.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>• The holes of this report targeted iron formations of the Palaeoproterozoic Mt Woods Domain.</li> <li>• The basement rock iron formation is covered by approx. 200m of unconsolidated sand and silt of the Cadna-Owie Formation and other sediments.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>• Easting, northing and RL of the drill hole collars are in GDA94 UTM Zone 53.</li> <li>• DD12FYA002 was collared at 527779.2 mE, 6720206.6 mN, 227.1 m RL, dip -65 degrees, azimuth 210 degrees gN, Total depth 642.9m,</li> <li>• Down-hole length of the hole is the distance from the surface to the end of the hole, as measured along the drill trace. Intersection depth is the distance down the hole as measured along the drill trace. Intersection width is the down-hole distance of an intersection as measured along the drill trace.</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>• Drill intersections are length weighted averages of intervals greater or equal to 30%.</li> <li>• Assays are rounded to 3 significant figures for percentage values above 1% and two decimal places for percentages below 1%.</li> <li>• No metal equivalent reporting is used or applied.</li> </ul>

## Section 2. Reporting of Exploration Results (cont.)

Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"><li>• The intersection width is measured down the hole trace and is not be the true width of the magnetite/hematite veins.</li><li>• All drill results are down-hole intervals only due to the variable orientation of the mineralisation.</li></ul>
Diagrams	<ul style="list-style-type: none"><li>• No cross section or map has been prepared. The text in this report and this Table gives sufficient context.</li></ul>
Balanced reporting	<ul style="list-style-type: none"><li>• All significant assays are presented in Table 1 and non-reported intervals are considered non-mineralised with respect to iron.</li><li>• The cut off grades for reporting iron levels in Table 1 are reasonable cut off grades for a Direct Shipping iron deposits.</li></ul>
Other substantive exploration data	<ul style="list-style-type: none"><li>• Magnetics and gravity data relating to the Fyans prospect has not been included in this report. The relevance of this data to the results in this report is not fully known and will be re-assessed as future exploration progresses.</li></ul>
Further work	<ul style="list-style-type: none"><li>• IMX does not promote Fyans as a prospect for further DSO hematite exploration due to the inhibitive depths and narrow width of the hematite veins.</li><li>• Future exploration may involve exploration in areas with less cover.</li></ul>