

22 December 2008

CAIRN HILL ORE RESERVE ESTIMATE

The Board of diversified resources developer, IMX Resources Limited (ASX:IXR), is pleased to announce a maiden reserve estimate for the Cairn Hill magnetite – Copper – gold project in South Australia of **6.9Mt at 51.2% Fe, 0.43% Cu and 0.13g/t Au** covering the optimised Phase 1 pits.

Snowden Mining Industry Consultants (Snowden) estimated the resources for Cairn Hill in June 2007 (ASX release 28 June 2007) shown in Table 1.

		Tonnage (Mt)	Fe (%)	Cu (%)	Au (g/t)
In Situ (Undiluted)					
Phase 1	Indicated	10.0	51.9	0.40	0.12
	Inferred	0.8	48.3	0.18	0.05
	Indicated + Inferred	10.8	51.6	0.38	0.11
Phase 2	Inferred	3.5	47.5	0.01	0.00
Total	Indicated + Inferred	14.3	50.6	0.29	0.09

Table 1. Cairn Hill - Indicated and Inferred Mineral Resource Summary

The Mineral Resource has been classified and reported above a 40% metal equivalent Fe cut-off grade using the JORC Code (2004) guidelines. The equivalence equation is based on three year average metal prices of US\$53.62/dmtu Fe, US\$2.03/lb Cu and US\$490/oz Au.

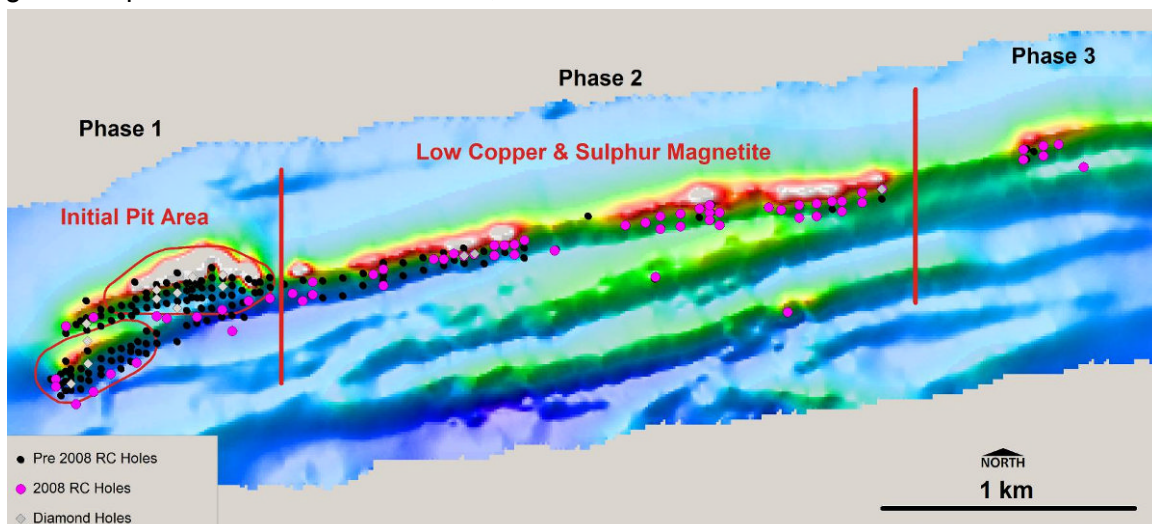


Figure 1: Cairn Hill Drilling overlaid on magnetics

AMC Consultants Pty Ltd (AMC) have now estimated the ore reserves for the two optimised pits shells determined by IMX and the mine planning and scheduling previously carried out by AMC. The ore reserve estimate for Phase 1 is shown in Table 2.

		Tonnage (Mt)	Fe (%)	Cu (%)	Au (g/t)
Phase 1	Probable	6.9	51.2	0.43	0.13
	Total	6.9	51.2	0.43	0.13

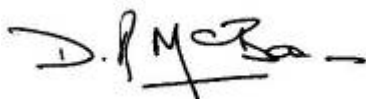
Table 2: Phase 1 Ore Reserve Estimate

The Long Term Purchase and Sales Contract for Iron & Copper Ore (10 August 2008) supplied to AMC by IMX was used to calculate metal revenues and deductions. Metal prices and exchange rates used by AMC in the determination of the Ore Reserve Estimate are US\$1.45/dmtu for Iron (Hamersley Fines 23 June 2008) and US\$4,090/t for copper (LME 3 month Copper price 6 November 2008) using an exchange rate of A\$ = US\$0.672 (6 November 2008).

The full AMC Ore Reserve Estimate Report is included in Attachment 1.

The pit shells used as the basis of the mine planning and scheduling, and ultimately the ore reserve, were optimised based on maximising early cashflow, rather than on maximising NPV's or maximising the utilisation of the resource. There is the potential to extend the pits to the west, where 2008 drilling indicated wide widths of higher grade copper, 10m at 49.71% Fe, 1.21% Cu and 0.43g/t Au and 15m at 15.75% Fe, 0.98% Cu and 0.74g/t Au outside the southern pit shell and the current resource (ASX release 8 July 2008) and extend the pits deeper utilising the current resources, depending on pricing at the time.

Work is progressing on the resource for the Cairn Hill Phase 2 area, and is expected in Q1 2009.



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The information in this report that relates to Ore Reserves is based on information compiled by Pier Federici. Pier Federici is a Member of the Australasian Institute of Mining and Metallurgy and an employee of AMC Consultants Ltd. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration to qualify as Competent Person as defined in the JORC Code. Pier Federici consents to the inclusion of the data in the form and context in which it appears.

Information in this public 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 NL

IMX Resources Limited (ASX:IXR) – is headquartered in Perth, Western Australia, is listed on the Australian Stock Exchange (ASX) with a current market capitalisation of approximately \$35m.

IMX is an active diversified mining company with projects in South Australia, Tasmania and Tanzania, East Africa, focusing on a range of commodities including iron-ore, nickel, gold, copper, platinum and uranium.

The company is disciplined in following a careful strategy to maximise shareholder value by discovering and developing ore bodies. IMX achieves this by participating in multiple, quality exploration projects in joint ventures with global mining companies, and by listing spin-off companies, to ensure programs with high potential are well-funded, while retaining a significant interest to provide exposure for IMX shareholders. In 2008 IMX shareholders have had leverage to approximately \$17.5m of exploration, with IMX contributing around \$2.5m.

IMX 100%-owned project is Cairn Hill, 55 kilometres south-east of Coober Pedy, South Australia. This unique magnetite Fe – Cu – Au project is close to the Darwin to Adelaide railway line. Phase 1, which is currently under development, is a DSO magnetite project, studies indicate this project has excellent rates of return. Testwork indicates that the ore produces a premium coarse grained magnetite product, with a clean saleable Cu / Au concentrate. IMX has a three year sales offtake agreement with Jilin Tonghua Iron & Steel (Group) Mining Co Ltd for the DSO magnetite production. Beyond Phase 1, preliminary metallurgical testwork has been completed on Phase 2 of the project targeted at producing a premium grade magnetite concentrate, with the calculation of the resource for this phase in progress. Phase 3 is focussed on the 90% of the 40km of magnetic anomalies that remain largely undrilled. The immediate upside for Cairn Hill remains the definition of further resources to support a long term 3-5mtpa operation.

In Tanzania, IMX holds 100% of the Mibango nickel / copper / platinum project and 90% of the Luwumbu nickel / platinum project.

IMX spun off 70% of the Nachingwea Nickel - Copper project in Tanzania into a Continental Nickel Limited (TSXV:CNI) in August 2007. IMX currently holds 47.3% of Continental Nickel and retains a 30% free carried interest in the Nachingwea Nickel - Copper project through a joint venture company structure.

IMX owns 39.5% of Uranex (ASX:UNX), a spin-off company from IMX , which listed on the ASX in October 2005 and is dedicated uranium company with assets in Australia and Tanzania.

Visit: www.imxresources.com.au

Ore Reserve Estimate for Cairn Hill

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18 December 2008

Mr Simon Parsons
IMX Resources NL
16 Vardon Avenue
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Dear Simon

The following Ore Reserve Estimate for The Cairn Hill Project lists the contents of the two open pit excavations prepared in accordance with the JORC Code guidelines.

Pier Federici consents to the public release of the material contained within this report outside of IMX. When publicly disclosing the accompanying ore reserve estimate, this entire report must be available to support the published reserve. Please refer to the following page in regards to public reporting requirements.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. Federici', is written on a white rectangular background.

Pier Federici
Principal Mining Engineer

Distribution list:

1 copy to Mr Simon Parsons – IMX Adelaide
1 copy to AMC Melbourne office
1 copy to AMC Adelaide office

QUALITY CONTROL

The signing of this statement confirms this report has been prepared and checked in accordance with the AMC Peer Review Process. AMC's Peer Review Policy can be viewed at www.amcconsultants.com.au.

Project Manager

Chris Sykes

Signed



18 December, 2008

Date

Peer Reviewer

Peter Mc Carthy

Signed



18 December, 2008

Date

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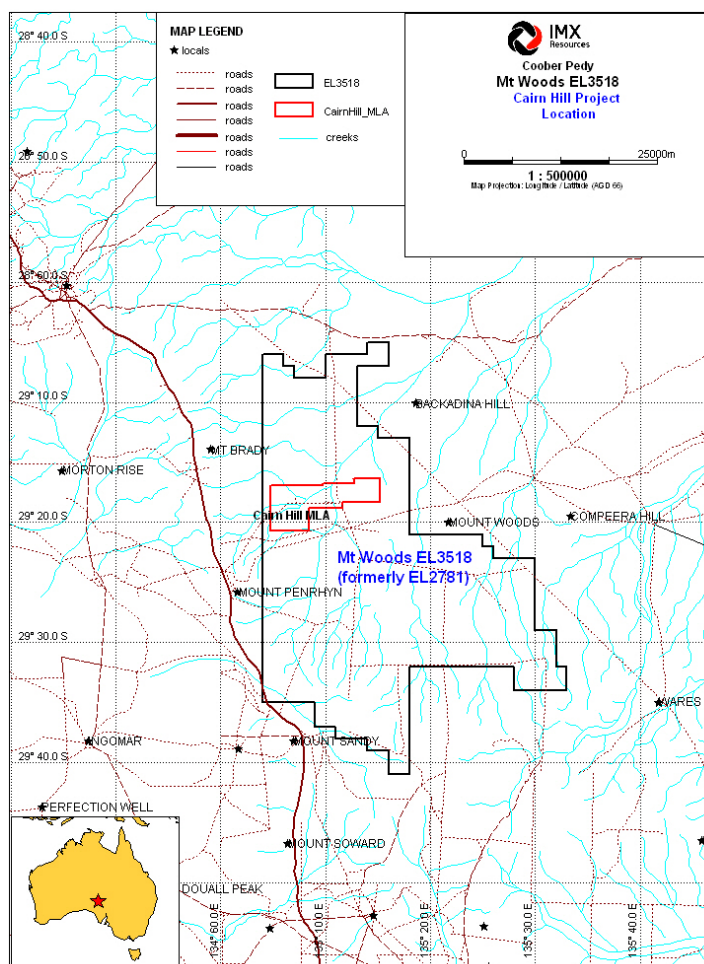
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1 CAIRN HILL PHASE ONE ORE RESERVES

IMX Resources (IMX) requested AMC Consultants Pty Ltd (AMC) to prepare an ore reserve estimate for the proposed open pits located in the Phase One area of the Cairn Hill lease in South Australia (south east of Coober Pedy). As part of the process, AMC reviewed the resource estimate (Goldstream Mining NL: Cairn Hill, Project No. 5578, Resource Estimate, June 2007) and geotechnical report (Goldstream Resources: Cairn Hill Project, Project No. 5578, Geotechnical Evaluation 2006, November 2006). This report was prepared in accordance with “the Joint Ore Reserves Committee (JORC) code” for the reporting of resources and reserves.

The Cairn Hill Project is located south east of Coober Pedy, South Australia (Figure 1.1). It is planned that the mine will produce ore that will be railed to Darwin for shipping.

Figure 1.1 Location Map of the Cairn Hill Deposit



Phase one is the current phase in development. This phase consists of mining and shipping run-of-mine (ROM) ore to China where it will be processed into a magnetite and copper / gold concentrates. Jilin Tonghua Iron & Steel (Group) Mining Co Ltd

(Tonghua Mining) will purchase the ROM ore under an initial three year agreement and is constructing a processing plant especially for the Cairn Hill ore.

1.1 Mineral Resources

Snowden Mining Industry Consultants Pty Ltd (Snowden) estimated the Indicated and Inferred Mineral Resource for Cairn Hill and the results are summarised in Table 1.1. This was reviewed by a Competent Person, Paul Blackney of Snowden Mining Industry Consultants Pty Ltd (Snowden) and released to the ASX on 28 June 2007.

**Table 1.1 IMX - Cairn Hill Indicated and Inferred Mineral Resource Summary
(above a 40% Fe Equivalent cut-off - In Situ, undiluted)**

	Classification	Tonnes (Mt)	Fe (%)	Au (g/t)	Cu (%)
Initial Pit	Indicated	10.0	51.9	0.12	0.40
	Inferred	0.8	48.3	0.05	0.18
	Indicated + Inferred	10.8	51.6	0.11	0.38
Eastern Pit Extension	Inferred	3.5	47.5	0.00	0.01
Total	Indicated + Inferred	14.3	50.6	0.09	0.29

AMC carried out a high level review of the supplied Cairn Hill resource model (ch0507v2.dm) for Ore reserve estimation. The purpose for this was to ensure no gross errors in the block model itself. The total mineral resources for the resource model, reported above a Fe cut-off of 40 % Fe are summarised in Table 1.2.

Table 1.2 AMC – Cairn Hill Total Mineral Resources above 40% Fe

Classification	Tonnes (Mt)	Fe (%)	Au (g/t)	Cu (%)	Fe (Mt)	Au (koz)	Cu (kt)
Indicated	9.9	52.0	0.12	0.40	5.2	37.8	39.6
Inferred	4.2	47.7	0.01	0.04	2.0	1.5	1.6
Total	14.1	50.8	0.09	0.29	7.2	39.3	41.2

1.2 Ore Reserve Estimate

The Cairn Hill open pit ore reserve estimate, reported in accordance with the Australasian code for reporting exploration results, mineral resources, and ore reserves, prepared by the JORC Code, is summarised in Table 1.3.

Table 1.3 Cairn Hill Phase One Ore Reserve Estimate

Classification	Tonnes (Mt)	Fe (%)	Au (g/t)	Cu (%)	Fe (Mt)	Au (koz)	Cu (kt)
Probable	6.9	51.2	0.13	0.43	3.6	29.2	29.6
Total	6.9	51.2	0.13	0.43	3.6	29.2	29.6

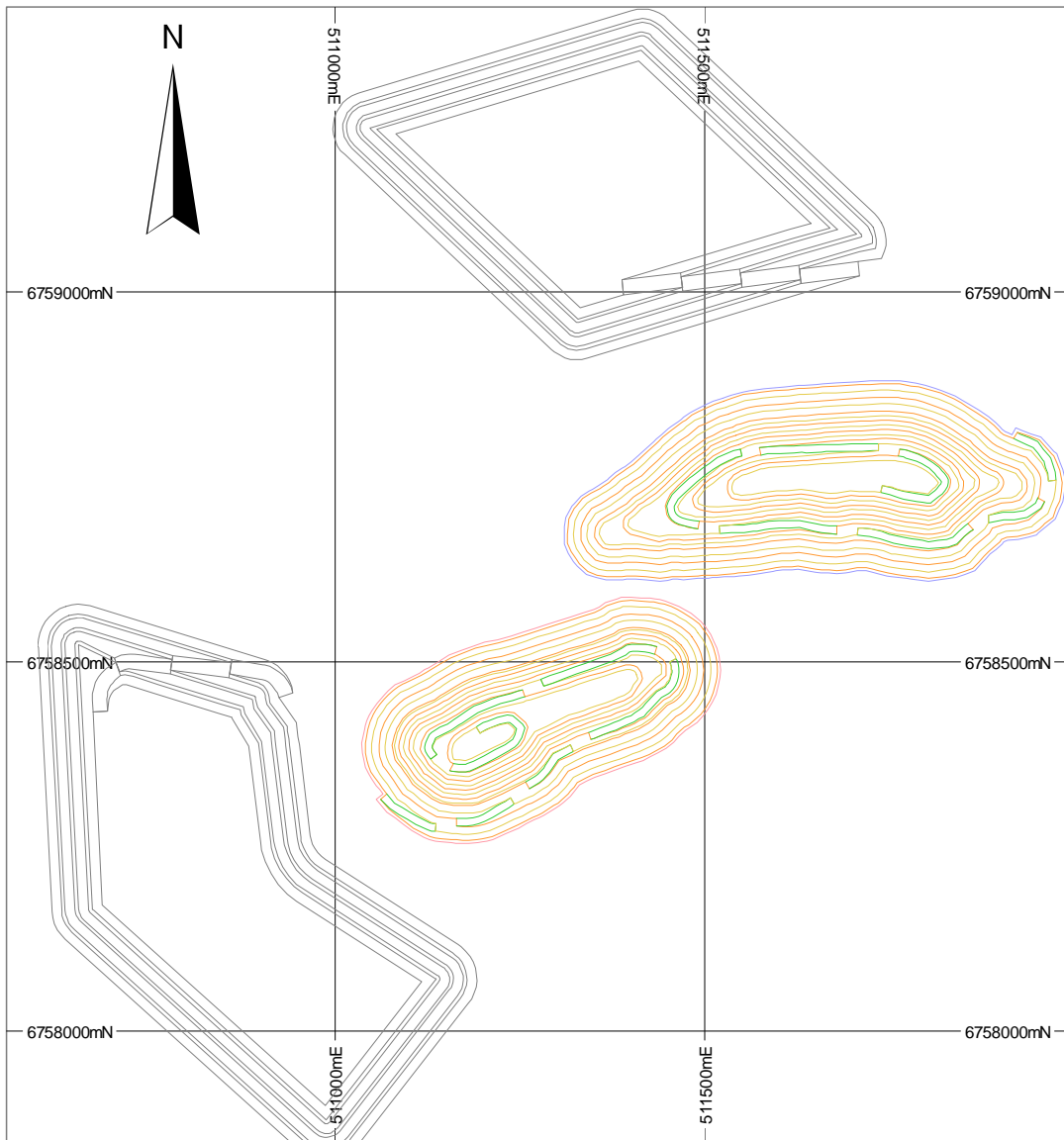
Note: The Long Term Purchase and Sales Contract for Iron & Copper Ore (10 August 2008) supplied to AMC by IMX was used to calculate metal revenues and deductions.

Metal prices and exchange rates used by AMC in the determination of the Ore Reserve Estimate are US\$1.45/dmtu for Iron (Hamersley Fines 23 June 2008) and US\$4,090/t for copper (LME 3 month Copper price 6 November 2008) using an exchange rate of A\$ = US\$0.672 (6 November 2008).

The ore reserve estimate is based on the Mineral Resource contained within the planned open pit mine designs classified as 'Indicated' after consideration of all mining, metallurgical, social, environmental and financial aspects of the project. None of the Mineral Resource was classified in the 'Measured' category. All Probable Ore Reserve has been derived from the Indicated Mineral Resource and associated dilution.

The estimated Ore Reserves are contained in two separate adjacent open pit excavations shown in Figure 1.2.

Figure 1.2 Plan Showing Proposed Mine Layout and Dump Locations



The information in this report that relates to Ore Reserves is based on information compiled by Pier Federici. Pier Federici is a Member of the Australasian Institute of Mining and Metallurgy and an employee of AMC Consultants Ltd. He has sufficient experience relevant to the style of mineralisation and type of deposit under consideration to qualify as Competent Person as defined in the JORC Code.

This is for release outside of IMX and Pier Federici consents to the public release of any material contained within this report.

The consultancy and engineering groups who have contributed information relevant to the Ore Reserve Estimate include:

- **Resources:** The Resource Estimate was prepared and reviewed by Snowden Mining Industry Consultants Pty Ltd (Snowden). - Goldstream Mining NL: Cairn Hill, Project No. 5578, Resource Estimate, June 2007. AMC has reviewed the supplied report and finds it generally consistent with the digital information provided.
- **Geotechnical:** The geotechnical assessment for the open pit prepared by Snowden Mining Industry Consultants Pty Ltd. - Goldstream Resources: Cairn Hill Project, Project No. 5578, Geotechnical Evaluation 2006, November 2006. AMC has reviewed the supplied report.

2 CHECK LIST OF ASSESSMENT AND REPORTING CRITERIA

The following is a checklist of the items that were considered when preparing the ore reserve estimate.

2.1 Mineral Resource Estimate for Conversion to Ore Reserve

The mineral resource estimate was prepared by Snowden and provided as a geological block model and report:

- Supplied resource block model (ch0507v2.dm)
- Goldstream Mining NL: Cairn Hill, Project No. 5578, Resource Estimate, June 2007.

AMC reviewed but did not audit the supplied model and report.

2.2 Study Status

AMC was contracted by IMX to provide mine-planning services on The Cairn Hill Project prior to this report. The mine-planning work included:

- Applying dilution and recovery parameters to the supplied model.
- Mine and waste dump designs.
- Mining schedules.

These studies did not produce detailed equipment requirements, cash flows including capital, or equipment productivity required for a final feasibility study. As part of this report the supplied schedule was assessed using the sales contract; preliminary contract rates¹, rail haulage costs, and estimated fixed and capital costs. This assessment found that the project was viable and therefore the ore reserve has been demonstrated under reasonable financial assumptions.

2.3 Cut-off Parameters

An Fe cut-off grade of 40% was used in the studies. Ore is defined as material that has been diluted and recovered and remains above a 40% Fe metal equivalent² cut-off.

¹ Contract rates were provided to AMC by IMX based on Budget Pricing for Cairn Hill obtained from contractors.

² Fe metal equivalent formula =
$$\frac{(\text{Fe}\% \times 0.5362 \times 0.88) + ((\text{Cu}\% / 100) - 2.03 \times 2204.62 \times 0.95) + (\text{Auppm} / 31.10 \times 490 \times 0.89)}{(\text{Fe}\% \times 0.5362 \times 0.88)} \times \text{Fe}\%$$

2.4 Mining Factors or Assumptions

2.4.1 Dilution

The supplied resource model was diluted by applying a selective minimum mining width of 3m and a dilution skin of 0.5m. Table 2.1 is a summary of the dilution and ore loss resulting from this process. These mining factors are appropriate for 5m high mining faces with a visible ore boundary.

Table 2.1 Dilution Report

	Tonnes (Mt)	Volume (Mbcm)	Fe (%)	Cu (%)
Undiluted Ore	14.9	3.4	50.5	0.3
Ore Loss	1.6	0.4	45.0	0.1
Dilution	1.0	0.4	14.3	0.1
Ore	14.3	3.4	48.7	0.3

2.4.2 Mine Design

2.4.2.1 Wall Angles

AMC has briefly reviewed the available geological data (core photos, structure sets etc.) and found that the Geotechnical Evaluation 2006 completed by Snowden Mining Industry Consultants:

- Follows a logical recognised procedure to design the pit wall angles.
- Adequately investigates the geological aspects of the proposed pits.
- Used appropriate design methods.

AMC believe the wall angles recommended in the geotechnical report are steeper than those that AMC would recommend. However, as the slope angles in the supplied mine designs are shallower than those recommended in the geotechnical report, the wall angles used in the design are appropriate for the reserve.

2.4.3.2 Mining Sequence

The mine sequence and progression proposed in the schedule has been examined and found to be practical. The operation consists of three pits – a ‘starter’ pit, Pit 1 (northern pit) and Pit 2 (southern pit). The starter pit forms part of Pit 1.

2.5 Metallurgical Factors or Assumptions

The initial contract is to supply ore within a specified grade range. Any ore that is outside of the grade range will incur penalties as specified in the contract.

Ore will be mined, crushed and screened onsite, trucked to the rail siding, and railed to Darwin where it will be loaded onto ships. The assessment used to define the ore reserve used the factors associated with the direct shipping of ore.

2.6 Cost and Revenue Factors

The supplied iron sales contract details how to calculate metal revenues and deductions. Refer to section 1.2.

2.7 Market Assessment

There is a three year contract to supply ore.

2.8 Other

AMC has been advised as follows:

- Mineral Lease 6303 covering 8,029 hectares over the Cairn Hill mine area and its eastern extensions was granted to Termite Resources NL (IMX Resources 100% owned operating subsidiary) on 17 April 2008. The Early Works Mining and Rehabilitation Plan for the trial mining was approved by Primary Industry and Minerals SA on 2 May 2008, enabling trial mining.
- The applications for the haul road and rail siding have been approved. The Mining and Rehabilitation Plan for the mining activities has been submitted with approval imminent. Construction activities have commenced on the rail siding with haul road construction expected to commence mid Q4 2008.
- Agreements with the two native title claimant groups, the pastoral leaseholders and the Department of Defence covering access to the Woomera Prohibited Area, the mining area, haul road and rail siding have been signed.

2.9 Classification

The material with a grade above 40% Fe, contained within the pits, classified as indicated, has been included in Probable material in the ore reserve estimate. Unclassified waste included in the dilution has also been included in the Probable material in the ore reserve estimate, as it is adjacent to the material classified as Indicated.

The supplied model does contain Inferred material. The Inferred material is located outside of the designs has not been used in the assessment.

2.10 Reviews

AMC has conducted reviews of the supplied Snowden geotechnical and resource reports. AMC has reported the finds of these reviews to IMX. These findings did not materially affect this reserve estimate.

AMC visited the trial pit to assess the mining environment, the progress of the required infrastructure and to examine the practicalities of the project. Work had commenced on the highway crossing, an underpass for the ore transport to the rail siding. Also visited were the location and preparation for the rail siding, locations of possible staff accommodation in Coober Pedy, water bores and the trial-mine ore stockpile.

2.11 Discussion of Relative Accuracy / Confidence

The Ore Reserve estimate is based on a high-level financial assessment using contract rates and conservative estimates of capital and fixed costs. However, it is not at final feasibility study status.

It is likely that further refinement of the pit designs will be required to suit the mining equipment selected when a Feasibility Study is completed. AMC has concluded that the Ore Reserve estimate is unlikely to be affected by detailed engineering design of the pit. However, the Ore Reserve is dependent on the terms of the iron ore sale contract, including the iron ore reference price. While some uncertainty currently exists about future iron ore contract prices in general, AMC has determined that the project remains cash positive using the most recent published forecasts of iron ore contract prices, and therefore publication of an Ore Reserve remains appropriate.