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CAIRN HILL UPDATE

Primary Industry and Minerals SA (“PIRSA”) has approved the Mining and Rehabilitation Plan (“MARP”) for the mining activities and is ready for IMX to accept. Northern Territory development approval has been received for the fill for the stockpile area, subject to the lodgement of an environmental plan, which will occur shortly. The final approval for the construction and operation of the stockpile will be lodged within the next four to six weeks.

In the second half of 2008, when IMX Resources Limited (ASX:IXR) was well advanced with negotiations with a number of parties to fully fund the capital expenditure requirements for Cairn Hill Phase 1, the Board agreed to enter into certain expenditure commitments, to expedite the project ahead of the wet weather season in the Northern Territory and meet the timelines of the Jilin Tonghua Iron & Steel (Group) Mining Co Ltd purchase and sales agreement.

Significant progress has been made on this site infrastructure and procurement of equipment, with the following significant items in progress or nearing completion:

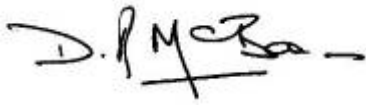
- Road underpass to allow haul truck access from the mine to the rail siding;
- Civil works for the rail loading loop for stockpiles and loading of trains; and
- Haul road from the mine to the rail loading loop to allow product to be hauled from the mine.

Some delays were experienced in mid December as a result of some heavy rain events which made access very difficult.

Due to the global financial crisis the funding, previously mentioned, was not completed and as a consequence the Board has curtailed further expenditure pending the finalisation of funding. In this regard the Company continues to actively pursue discussions with several potential investors and providers of finance for the project.

Cash at bank at the end of December was \$10.8m. Capital expenditure commitments on Cairn Hill will utilise approximately \$5.8m, leaving uncommitted cash of approximately \$5m for exploration and corporate expenditures – sufficient to see the Company through at least 12 months.

IMX is taking the opportunity to closely review all facets of the capital and operating costs to determine where savings can be prudently made to reduce the upfront funding requirements.



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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.

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