

IMX RESOURCES LIMITED

A.B.N. 67 009 129 560

NOTICE OF GENERAL MEETING

EXPLANATORY MEMORANDUM

AND

PROXY FORM

DATE AND TIME OF MEETING

16 June 2010 at 2:00 pm

PLACE OF MEETING

Adelaide Room
Sebel Playford Hotel
120 North Terrace
Adelaide, SA

This page has been left blank intentionally

IMX RESOURCES LIMITED
ABN 67 009 129 560
NOTICE OF GENERAL MEETING
AND
PROXY FORM

Notice is hereby given that a General Meeting of shareholders of the Company will be held at 2.00pm on Wednesday 16 June 2010, at the Adelaide Room, Sebel Playford Hotel, 120 North Terrace, Adelaide, South Australia.

BUSINESS

Resolution 1: Ratification of an Issue of Shares – Placement to Taifeng Yuanchuang International Development Co Ltd – March 2010

To consider and, if thought fit, to pass the following ordinary resolution:

“That, for the purposes of Listing Rules 7.1 and 7.4 of the Australian Securities Exchange Listing Rules and for all other purposes, the Company approves the issue of 30,080,000 fully paid ordinary shares in the capital of the Company that were allotted on or about 7 May 2010 at a price of 48.4 cents per share to raise an aggregate of \$14,558,720.”

The Company will disregard any votes cast on Resolution 1 by Taifeng Yuanchuang International Development Co Ltd and any associates of that Company, and a person who might obtain a benefit.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the direction on the proxy form to vote as the proxy decides.

Resolution 2: Approval of an issue of Shares – Placement to Taifeng Yuanchuang International Development Co Ltd and OZ Minerals Investments Pty Ltd

To consider and, if thought fit, to pass the following ordinary resolution:

“That, for the purposes of Listing Rules 7.1 and 7.3 of the Australian Securities Exchange Listing Rules and for all other purposes, the Company approves the issue of up to 29,450,000 fully paid ordinary shares in the capital of the Company at a price of 48.4 cents per share to Taifeng Yuanchuang International Development Co Ltd and OZ Minerals Investments Pty Ltd to raise an aggregate of up to \$14,253,800.”

The Company will disregard any votes cast on Resolution 2 by Taifeng Yuanchuang International Development Co Ltd and OZ Minerals Investments Pty Ltd and any associates of these Companies, and a person who might obtain a benefit.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the direction on the proxy form to vote as the proxy decides.

VOTING ENTITLEMENTS

In accordance with regulation 7.11.37 of the *Corporations Regulations*, all shares of the Company will be taken, for the purposes of the General Meeting, to be held by the persons who hold them at 12.30pm Perth time (2.00pm Adelaide time) on 14 June 2010. Only those persons will be entitled to vote at the General Meeting on 16 June 2010.

VOTING BY PROXY

A member entitled to attend and vote is entitled to appoint not more than two proxies to attend and vote on behalf of the member. A proxy need not be a member of the Company, but must be a natural person (not a corporation). A proxy may also be appointed by reference to an office held by the proxy (eg "the Company Secretary").

Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the member's voting rights. If no such proportion is specified, each proxy may exercise half of the member's votes.

A proxy form is enclosed. A separate form must be used for each proxy. An additional form can be obtained by writing to the Company at PO Box 879, Subiaco, WA, 6904 or by faxing 08 9382 2399. Alternatively, you may photocopy the enclosed form.

A duly completed proxy form and (where applicable) any power of attorney or a certified copy of the power of attorney must be received by the Company at its registered office Unit 18, Level 2, 100 Railway Road, Subiaco, WA 6008 or the address or fax number set out below, **not less than 48 hours before** the time for commencement of the meeting. Please send by post to PO Box 879, Subiaco, WA, 6904 or by fax to (+61 8) 9382 2399.

The Company will accept proxy appointments by a corporate member executed in accordance with either section 127(1) (not under seal) or section 127(2) (under seal) of the Corporations Act.

A Corporate security holder will be required to complete a "Certificate of Appointment of Corporate Representative" to enable a person to attend on their behalf. A form of this Certificate may be obtained from the Company's share registry.

The time nominated by the Board for the purpose of determining the voting entitlements at the meeting is 12.30pm Perth time on 14 June 2010.

Explanatory Memorandum to Shareholders to Accompany Notice of General Meeting

Introduction:

The memorandum has been prepared for the information of shareholders in IMX Resources Limited in connection with the General Meeting to be held on 16 June 2010 at 2:00pm (Adelaide time).

The Directors recommend members read this Explanatory Memorandum in full before making any decision in relation to the resolutions to be considered at the General Meeting.

Resolution 1: Ratification of an Issue of Shares – Placement to Taifeng Yuanchuang International Development Co Ltd - March 2010

To consider and, if thought fit, to pass the following ordinary resolution:

“That, for the purposes of Listing Rules 7.1 and 7.4 of the Australian Securities Exchange Listing Rules and for all other purposes, the Company approves the issue of 30,080,000 fully paid ordinary shares in the capital of the Company that were allotted on or about 7 May 2010 at a price of 48.4 cents per share to raise an aggregate of \$14,558,720.”

On 4 January 2010, IMX announced the signing of a binding HOA with Taifeng Yuanchuang International Development Co Ltd (Taifeng) a Hong Kong based subsidiary of Sichuan Taifeng Co Ltd, whereby Taifeng will obtain a 50% equity interest in Outback Iron Pty Ltd, the holding company for the Cairn Hill project within ML 6303, by investing an amount to equal that expended by IMX to date in the area covered by ML6303. This matching expenditure has been established as \$23,988,888. These funds will be used for the development of the Cairn Hill Phase 1 project and other exploration and feasibility studies within ML6303. As part of the agreement Taifeng will have the rights to purchase all production from ML6303, with the exception of Phase 1 at the prevailing market price. Taifeng is also the preferred development partner of iron ore projects within the Mt Woods tenements, subject to OZ Minerals consent.

In addition to investing in the Cairn Hill project, the HOA also provides for Taifeng to subscribe for up to 51,771,000 shares to Taifeng at a price of 48.4 cents per share to raise up to \$25,057,164.

IMX and Taifeng have waived the condition in the HOA that shares in IMX would only be issued to Taifeng if Taifeng’s proposed investment in Outback Iron Pty Ltd was approved by the Foreign Investment Review Board (FIRB). The shares being approved under this resolution fall within IMX’s 15% placing ability without prior shareholder approval.

By this resolution the Company seeks shareholder approval of this proposed share issue.

The following information is provided for member’s consideration of Resolution 1:

- The number of securities (fully paid ordinary shares coded IXR) that the Company issued is 30,080,000.
- The shares were issued at a price of 48.4 cents per ordinary share.
- The shares were issued on or about 7 May 2010.
- The shares were issued to Taifeng Yuanchuang International Development Co Ltd as part of the HOA.
- The shares rank pari pasu with the Company’s ASX quoted securities coded IXR.

If shareholders of the Company ratify the issue of the shares pursuant to this Resolution 1, the shares issued pursuant to this resolution will not count towards the 15% limit in respect of issues of equity securities which the Directors of the Company may undertake without shareholder approval in a 12 month period under ASX Listing Rule 7.1.

Resolution 2: Approval of an issue of Shares – Placement to Taifeng Yuanchuang International Development Co Ltd and OZ Minerals Investments Pty Ltd

To consider and, if thought fit, to pass the following ordinary resolution:

“That, for the purposes of Listing Rules 7.1 and 7.3 of the Australian Securities Exchange Listing Rules and for all other purposes, the Company approves the issue of up to 29,450,000 fully paid ordinary shares in the capital of the Company at a price of 48.4 cents per share to Taifeng Yuanchuang International Development Co Ltd and OZ Minerals Investments Pty Ltd to raise an aggregate of up to \$14,253,800.”

On 4 January 2010, IMX announced the signing of a binding HOA with Taifeng Yuanchuang International Development Co Ltd (Taifeng) a Hong Kong based subsidiary of Sichuan Taifeng Co Ltd, whereby Taifeng will obtain a 50% equity interest in Outback Iron Pty Ltd, the holding company for the Cairn Hill project within ML 6303, by investing an amount to equal that expended by IMX to date in the area covered by ML6303. This matching expenditure has been established as \$23,988,888. These funds will be used for the development of the Cairn Hill Phase 1 project and other exploration and feasibility studies within ML6303. As part of the agreement Taifeng will have the rights to purchase all production from ML6303, with the exception of Phase 1 at the prevailing market price. Taifeng is also the preferred development partner of iron ore projects within the Mt Woods tenements, subject to OZ Minerals consent.

In addition to investing in the Cairn Hill project, Taifeng the HOA also provides for Taifeng to subscribe for up to 51,771,000 shares to Taifeng at a price of 48.4 cents per share to raise up to \$25,057,164.

This resolution covers the balance of the 21,691,000 shares, to be issued at 48.4 cents to raise \$10,498,444, to complete the placement agreed under the HOA.

As part of the OZ Minerals HOA announced on 30 November 2009, OZ Minerals has the right to maintain its shareholding interest in IMX in any subsequent placement in the 12 months from the heads of agreement. If OZ Minerals does not participate in any placement in the 12 month period the right to maintain its shareholding interest in IMX lapses. To maintain its interest in IMX OZ Minerals will be issued with 7,759,000 shares at the same issue price of 48.4 cents per share to raise \$3,755,356.

OZ Minerals has indicated it will exercise its rights.

By this resolution the Company seeks shareholder approval of this proposed share issue.

The transaction between IMX and Taifeng (including the proposed share issue in excess of a 15% shareholding in IMX, subject of this resolution) is subject to the approval of FIRB. If shareholders of the Company approve the issue of the shares to Taifeng and OZ Minerals, the shares issued pursuant to this resolution will not count towards the 15% limit in respect of issues of equity securities which the Directors of the Company may undertake without

shareholder approval in a 12 month period under ASX Listing Rule 7.1. In the event that the FIRB does not approve Taifeng's investment in IMX in excess of 15%, then Taifeng would be issued with 6,283,000 shares at an issue price of 48.4 cents per share and OZ Minerals would be issued 5,450,000 shares at the same issue price. Under this scenario a total of \$5,678,772 would be raised under this resolution.

The following information is provided for member's consideration of Resolution 2:

- The number of securities (fully paid ordinary shares coded IXR) that the Company will issue is up to 29,450,000.
- The shares will be issued at a price of 48.4 cents per share.
- The date of issue of the shares is not known at present as certain conditions precedent must first be satisfied. The issue date will however be no later than three months from the date of the meeting, or such other date as ASX may permit.
- The shares will be issued to or as directed by Taifeng and OZ Minerals.
- The shares rank pari pasu with the Company's ASX quoted securities coded IXR.

BY ORDER OF THE BOARD

AN STEERS

Company Secretary

Dated at PERTH this 14th day of May 2010.

This page has been left blank intentionally