



IMX Resources Limited
ABN 67 009 129 560
Level 2, Unit 18, 100 Railway Road
Subiaco WA 6008 Australia
PO Box 879
Subiaco WA 6904
T +61 8 9388 7877
F +61 8 9382 2399
E info@imxres.com.au
W www.imxresources.com.au

MEDIA RELEASE

26 August 2010

IMX CELEBRATES OPENING OF SA'S FIRST IRON ORE MINING DISTRICT SINCE 19TH CENTURY

South Australian Premier Mike Rann officially opened the Cairn Hill mine near Coober Pedy today.

This unique iron ore – copper - gold project, representing the first of the next generation of iron ore miners in South Australia in over a century, has been identified and advanced to production stage by IMX Resources Limited (ASX: IXR), an Australian-based steel feedstock and copper development company.

“Cairn Hill is now the cornerstone of our future core business of iron ore and steelmaking materials, and we are also looking to increase our resource base over time, either through exploration or acquisition,” said IMX Resources Chairman Johann Jacobs.

“We are very proud that IMX Resources is the first of the next wave of iron ore producers in South Australia. Sufficient port and rail infrastructure are the keys to delivering a sustainable iron ore industry for South Australia,” Mr. Jacobs said.

Speaking at the official opening celebration of the Cairn Hill Mine near Coober Pedy South Australian Premier Mike Rann said:

“Over one hundred years ago in South Australia’s outback, our first iron ore mine at Iron Knob became an icon of the Australian steel industry.”

“This ore was loaded onto carts and pulled by pioneer bullock teams along hot and dusty tracks to Port Augusta, in turn creating an important part of Australia’s federation history by forging the nation’s future development in steelmaking, engineering and shipbuilding,” he said.

“Coober Pedy has become internationally recognized as the home of opal mining in Australia and it is pleasing to see this richly endowed mining belt give birth to a range of new commodities including copper, gold and iron ore.

“Today, after extensive drive by government to foster the further exploration and development of the state’s iron ore resources, this breakthrough will create new employment opportunities for

the iconic Coober Pedy community while considerable economic benefits are generated for the state and Australia as a whole,” Mr Rann said.

The Cairn Hill mine is expected to produce at the rate of up to 1.7 million tonnes per annum (mtpa) for a period of approximately five years based on the current mine plan lodged with the SA Government (PIRSA).

“High-grade magnetite is being mined at Cairn Hill, before being transferred in purpose-built containers for railing to Port Adelaide for shipping to Yingkou in north-eastern China for processing into a premium concentrate,” said IMX Resources Managing Director Duncan McBain.

“We have created a unique partnership between business, government, traditional peoples, local communities and Chinese partners. This exciting project is on track for commencement of shipping in CYQ42010,” he said.

The Cairn Hill project is expected to employ approximately 156 people in South Australia, in its mining, road and rail haulage and port operations. There will also be additional local employment created from servicing the employee accommodation and messing facilities in Coober Pedy, as well as business opportunities to provide services to the mine.

For the mining operations, employees will be based in Coober Pedy from where they will travel to and from work daily.

As part of the agreement with the mining contractor, Exact Mining Services (EMS), there is provision for the employment of people from the Coober Pedy community, and employment and sub-contracts to the Antakirinja native title claimants.

One of the factors for IMX in selection of the mining contractor was their previous experience in setting up self sustaining aboriginal businesses in the mining services industry. Subject to final negotiations, Stony Desert Mining Services (a joint venture between EMS and the Antakirinja Matu-Yankunytjatjara Aboriginal Corporation), will be awarded a sub-contract for the maintenance of the haul road from the mine to the Rankin Dam rail siding.

“Importantly the project is not just about economics, the new operation will ensure environmental impacts are minimised while social and cultural benefits are maximised,” Mr. McBain said.

ENDS

DUNCAN MCBAIN
MANGING DIRECTOR

For further information, please contact:

Duncan McBain
Managing Director
Tel: +61 8 9388 7877
E: dmc bain@imxres.com.au

Warrick Hazeldine/Ryan McKinlay
Purple Communications
Tel: +61 8 6314 6300/0417 944 616
E: whazeldine@purplecom.com.au

About IMX Resources Limited

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 \$100m.

IMX is an active diversified mining company with projects in South Australia, Tasmania, Tanzania and Mozambique, 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.

Subject to the successful completion of the terms of the HOA, IMX owns 50% of the Cairn Hill project, 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. Testwork indicates that the ore produces a premium coarse grained magnetite product, with a clean saleable Cu / Au concentrate. IMX has a Phase 1 life of mine 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.

IMX owns 100% of the iron ore rights on the Mt Woods tenements where besides the potential of Phase 3 magnetic anomalies outside ML6303, recent drilling has intersected magnetite to the south and west of Cairn Hill with target mineralisation of 320-550mt @ 25-35% Fe based on the drilling, ground gravity and aeromagnetics.

The immediate upside for Cairn Hill / Mt Woods remains the definition of further resources to support a long term 3-5mtpa iron ore operation.

IMX has recently signed a HOA with OZ Minerals for the non-iron ore rights on its Mt Woods tenements. OZ Minerals will have 51% of the joint venture and must spend \$20m over 5 years to retain this interest. OZ Minerals is targeting Prominent Hill style copper / gold mineralisation.

In Tanzania, IMX holds 100% of the Mibango nickel / copper / 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 37.2% of Continental Nickel and retains a 30% free carried interest in the Nachingwea Nickel - Copper project through a joint venture company structure.

IMX owns 34.5% 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

