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Cairn Hill Life of Mine Sales Contract Pricing Mechanism Updated

IMX Resources Limited (ASX:IXR) is pleased to announce that it has signed a further variation to the Phase 1 life of mine sales contract it previously signed with Jilin Tonghua Iron & Steel Group (Mining) Co Ltd (Tonghua Mining) (ASX announcement 11 August 2008 and 15 February 2010). Under the terms of the variation the definition of benchmark pricing has been revised to reflect the current index based pricing mechanism used for long term iron ore sales contracts.

IMX Resources Managing Director Duncan McBain said "This latest variation to the sales contract updates the sales contract to reflect the current index based iron ore pricing mechanisms as a result of the demise of the traditional iron ore benchmark pricing."

Under the original sales contract there was provision to move to an alternate pricing mechanism in the event that the traditional annual iron ore benchmark pricing ceased to exist. With the demise of the benchmark system, Termite Resources NL, IMX's 100% owned operating subsidiary for Cairn Hill, and Tonghua Mining have agreed to change the pricing mechanism to reflect the current custom and practice for the pricing of iron ore. The new pricing mechanism is index based and adjusted for freight to provide a FOB equivalent price. Termite Resources will continue to receive payment for both the contained iron and copper.

A handwritten signature in black ink, appearing to read "D. McBain".

DUNCAN MCBAIN
MANAGING DIRECTOR

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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 \$115m.

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 51% 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 25% interest in the Nachingwea Nickel - Copper project through a joint venture company structure.

IMX owns 26.7% 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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