



**IMX Resources Limited**  
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15 October 2010

The Manager – Listings  
Australian Securities Exchange Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

*Via electronic lodgement*

Dear Sir

### **2010 Notice of Annual General Meeting Mailing**

Attached are the Notice of Meeting and Proxy form for IMX Resources Limited's 2010 Annual General Meeting, which will be held on Monday 15 November 2010 at the Fremantle Room of the Parmelia Hilton Hotel in Perth, Western Australia, commencing at 4.00pm (Perth time).

Yours faithfully  
IMX Resources Limited

Andrew Steers  
Company Secretary



**IMX Resources**

**Notice of annual general meeting**

**IMX Resources Limited**

ACN 009 129 560

Fremantle Room, Parmelia Hilton Hotel,  
14 Mill Street, Perth, Western Australia

15 November 2010  
4.00 P.M. (Perth Time)

# Notice of annual general meeting

IMX Resources Limited ACN 009 129 560

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Notice is hereby given that the 2010 annual general meeting of IMX Resources Limited (**Company**) will be held at:

<b>Location</b>	Fremantle Room, Parmelia Hilton Hotel, 14 Mill Street, Perth, Western Australia
<b>Date</b>	15 November 2010
<b>Time</b>	4.00 p.m. (Perth time)

## Ordinary business

### Annual Financial Statements

To receive and consider the Annual Financial Statements, the Directors' Report and the Audit Report of IMX Resources Limited for the financial year ended 30 June 2010.

### Ordinary Business

#### 1. Adoption of the Remuneration Report (non-binding resolution)

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

*"That the section of the report of the directors for the financial year ended 30 June 2010, dealing with the remuneration of the directors, secretary and senior executives, be adopted."*

#### 2. Election of Directors

To consider, and if thought fit, pass the following as separate ordinary resolutions:

- a) *"That Mr Johann C Jooste-Jacobs, who retires in accordance with Article 46.1 of the Company's Constitution, be re-elected as a Director of IMX Resources Limited."*
- b) *"That Mr Tony Haggarty, who retires in accordance with Article 46.1 of the Company's Constitution, be re-elected as a Director of IMX Resources Limited."*
- c) *"That Mr John S Nitschke, being a director appointed since the last Annual General Meeting and who offers himself for election pursuant to Article 13.5 of the Company's Constitution, be elected as a Director of IMX Resources Limited."*
- d) *"That Mr Song Yuan Gang, being a director appointed since the last Annual General Meeting and who offers himself for election pursuant to Article 13.5 of the Company's Constitution, be elected as a Director of IMX Resources Limited."*

#### 3. Approval of the IMX Resources Share and Option Incentive Plan

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

*"That for the purposes of Listing Rule 7.2 (Exception 9), the issue of securities under the IMX Resources Share and Option Incentive Plan, as described in the Explanatory Memorandum be approved."*

#### 4. Issue of Options Pursuant to the IMX Resources Share and Option Incentive Plan

To consider, and if thought fit, pass the following as separate ordinary resolutions:

- a) *“That, pursuant to ASX Listing Rule 10.14, the grant of 350,000 options to Mr. Johann Jooste-Jacobs, under the IMX Resources Share and Option Incentive Plan, on the terms specified in the accompanying Explanatory Memorandum, be approved.”*
- b) *“That, pursuant to ASX Listing Rule 10.14, the grant of 350,000 options to Mr. Tony Haggarty, under the IMX Resources Share and Option Incentive Plan, on the terms specified in the accompanying Explanatory Memorandum, be approved.”*
- c) *“That, pursuant to ASX Listing Rule 10.14, the grant of 350,000 options to Mr. Stephen Hunt, under the IMX Resources Share and Option Incentive Plan, on the terms specified in the accompanying Explanatory Memorandum, be approved.”*
- d) *“That, pursuant to ASX Listing Rule 10.14, the grant of 500,000 options to Mr. Duncan McBain, under the IMX Resources Share and Option Incentive Plan, on the terms specified in the accompanying Explanatory Memorandum, be approved.”*
- e) *“That, pursuant to ASX Listing Rule 10.14, the grant of 500,000 options to Mr. John Nitschke, under the IMX Resources Share and Option Incentive Plan, on the terms specified in the accompanying Explanatory Memorandum, be approved.”*
- f) *“That, pursuant to ASX Listing Rule 10.14, the grant of 500,000 options to Mr. Yuan Gang Song, under the IMX Resources Share and Option Incentive Plan, on the terms specified in the accompanying Explanatory Memorandum, be approved.”*

#### Voting restrictions

The Company will disregard any votes cast on resolution 3 by:

- (a) a director; and
- (b) an associate of a director,

However the Company need not disregard a vote if:

- (c) if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy voting form; or

It is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Under the *Corporations Act 2001* and Listing Rule 14.11, the Company will disregard any votes cast on the following resolutions by the following persons:

Resolution 4 (a)	Mr. Johann Jooste-Jacobs and his associates
Resolution 4 (b)	Mr. Tony Haggarty and his associates
Resolution 4 (c)	Mr. Stephen Hunt and his associates
Resolution 4 (d)	Mr. Robert McBain and his associates
Resolution 4 (e)	Mr. John Nitschke and his associates
Resolution 4 (f)	Mr. Yuan Gang Song and his associates

The Company will not however disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## **Voting Entitlements**

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), all shares of the Company will be taken, for the purposes of the Annual General Meeting, to be held by the persons who hold them at 5.00pm Perth time on 12 November 2010. Only those persons will be entitled to vote at the Annual General Meeting on 15 November 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 (e.g. "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 Suite 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.

Dated 8 October 2010

**By order of the Board**

**A N Steers**  
Company Secretary

# Explanatory memorandum

IMX Resources Limited ACN 009 129 560

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The memorandum has been prepared for the information of shareholders in IMX Resources Limited in connection with the Annual General Meeting to be held on 15 November 2010 at 4:00pm (Perth time).

## Financial Statements and reports

The *Corporations Act 2001* (Cth)(**Corporations Act**) requires that the report of the directors, the auditor's report and the financial report be laid before the annual general meeting.

Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Company's constitution requires a vote of shareholders at the annual general meeting on the financial statements and reports. However shareholders will be given reasonable opportunity at the meeting to raise questions with respect to these reports.

Shareholders may also submit written questions to the Company's auditor, BDO Audit (Perth), if the question is relevant to the content of the audit report, or the conduct of its audit of IMX Resources Limited's annual report for the year ended 30 June 2010. Relevant written questions for the auditor must be delivered by 5.00pm, 8 November 2010. Please send any written questions for BDO Audit (Perth) to the address listed in the proxy form attached to this notice of meeting. The auditors will attend the Annual General Meeting.

The Annual Report for the year ended 30 June 2010 has been sent to all shareholders who have "opted in" to receive one and will be tabled at the meeting. Furthermore, the Annual Report has been posted on the Company's web site [www.imxresources.com.au](http://www.imxresources.com.au) and lodged with the Australian Securities Exchange.

## Resolution 1: Adoption of Remuneration Report.

Section 250R(2) of the Corporations Act requires that the section of the directors' report dealing with the remuneration of directors, the secretary and up to five senior executives (**remuneration report**) be put to shareholders for adoption.

The resolution of shareholders is advisory only and is **not** binding on the Company.

The Remuneration Report is included in the Directors' Report in the IMX Resources Limited annual report for 2010 which is available on the Company's website at [www.imxresources.com.au](http://www.imxresources.com.au). The Remuneration Report:

- (i) outlines the Board's policy for determining the nature and amount of remuneration of directors, and executives of the Company; and
- (ii) details the remuneration (including options) of each director of the Company for the year; and
- (iii) summarises the terms of any contract under which any director or executive is engaged, including the period of notice required to terminate the contract and any termination payments provided for under the contract.

The Directors recommend you vote in favour of this resolution. Although the Company will not be required to alter any arrangements in the Remuneration Report should the resolution not be passed, the Board will take the outcome of the resolution into account when considering future remuneration policy.

## Resolution 2: Election of directors

### Resolution 2(a): To Re-elect Mr. Johann Jooste-Jacobs as a Director.

Mr. Jooste-Jacobs, retires by rotation in accordance with clause 46.1 of the Company's Constitution and, being eligible, seeks re-election.

Mr. Jooste-Jacobs has a Bachelor of Accounting, MBL, is a Fellow of the Institute of Chartered Accountants and a Fellow of the Australian Institute of Company Directors. He has more than 30 years experience in the resource sector where he has managed established companies, acquisitions, expansions or start-up mining operations in Australia, South Africa and Indonesia. His more recent roles have included Managing Director of the ASX-listed coal producer CIM Resources, and Managing Director of the ASX-listed mineral sands developer Australian Zircon. In addition, Mr. Jooste-Jacobs is a non-executive director and Chairman of Uranex NL. He is a member of the Company's Audit and Risk and the Nomination and Remuneration committees.

The Directors recommend you vote in favour of this resolution.

**Resolution 2(b): To Re-elect Mr. Tony Haggarty as a Director.**

Mr. Haggarty, retires by rotation in accordance with clause 46.1 of the Company's Constitution and, being eligible, seeks re-election.

Mr. Haggarty has had more than 25 years involvement in the resources sector. He was a co-founder of Excel Coal Limited and was its Managing Director from 1993 until its acquisition by Peabody Energy Corporation in 2006.

Mr. Haggarty is currently the non-executive Chairman of ASX-listed King Island Scheelite Limited and the Managing Director of Whitehaven Coal Limited. He also holds directorships in private resource focused companies active in Australia and internationally.

The Directors recommend you vote in favour of this resolution.

**Resolution 2(c): To Re-elect Mr. John Nitschke as a Director.**

Mr. Nitschke, having been appointed as an additional director, retires in accordance with clause 45.2 of the Company's Constitution and, being eligible, seeks re-election.

Mr. Nitschke is currently the Executive General Manager Projects & Technical Services for OZ Minerals Limited, a joint venture partner to IMX Resources. Mr Nitschke joined OZ Minerals in 2005.

Mr. Nitschke is a mining engineer with over 35 years experience in the resources industry in mining operations and project management. He worked in underground operations for MIM Holdings at Mount Isa and the Agnew Mining Joint Venture before managing the development of gold and nickel projects and the optimisation and initial permitting of the open pit mining and processing operations for North Kalbarli Mines on the Golden Mile in Kalgoorlie.

Mr. Nitschke joined the Normandy Group in 1992 and managed the optimisation of several operations and his roles included executive responsibility for the mining operations and JV interests in Western Australia and the provision of high level technical and management support to operations and projects overseas.

Mr. Nitschke is also a non-executive director of Toro Energy Limited.

The Directors recommend you vote in favour of this resolution.

**Resolution 2(d): To Re-elect Mr. Yuan Gang Song as a Director.**

Mr. Song, having been appointed as an additional director, retires in accordance with clause 45.2 of the Company's Constitution and, being eligible, seeks re-election.

Mr. Song is the Chairman of the privately owned Chinese company Sichuan Taifeng Group which holds a 19.89% interest in IMX Resources Limited through a subsidiary company. Mr. Song has grown Sichuan Taifeng into a successful diversified group with trading, real estate and mining divisions.

The Directors recommend you vote in favour of this resolution.

### Resolution 3: Approval of the IMX Resources Share and Option Incentive Plan

Listing Rule 7.1 prevents a listed company from issuing, or agreeing to issue, more than 15% of its issued capital in any 12 month period without the prior approval of holders of ordinary shares. However Listing Rule 7.1 does not apply to an issue under an employee incentive scheme if, within 3 years before the date of the issue, holders of ordinary shares have approved the issue of shares under the scheme as an exception to Listing Rule 7.1.

Resolution 3 seeks to exempt the issue of Shares and Options under the Company's Share and Option Incentive Plan from the operation of Listing Rule 7.1 for a period of 3 years from the date that shareholders approve the Resolution. If Resolution 3 is approved by Shareholders, shares and options issued under the Plan during the next 3 years will not be counted in determining the 15% limit under Listing Rule 7.1.

The IMX Resources Share and Option Incentive Plan (**the Plan**) was approved by Shareholders at the annual general meeting of the Company on 27 November 2007. The Plan was subsequently amended under approval of Shareholders at the general meeting of the Company on 25 June 2008.

Since the approval of the Plan on 27 November 2007 the Board has approved and granted a total of 14,360,000 options. Of these options 1,310,000 have subsequently been cancelled or have expired under the terms of the Plan and a further 100,000 have been exercised resulting in a total of 12,950,000 being currently outstanding. The options currently outstanding represent 4.98% of the total ordinary shares on issue for the Company. All options issued to directors have been approved by shareholders.

A summary of the outstanding options is provided in the table below:

Issued to	Number of Options	Exercise Price	Grant/Issue Date	Term	Expiry Date
Directors	3,100,000	\$0.50	21 Dec 2007	5 years	21 Dec 2012
Employees	300,000	\$0.53	21 Dec 2007	5 years	21 Dec 2012
Directors	1,000,000	\$0.53	25 Jun 2008	5 years	25 Jun 2013
Directors	1,200,000	\$0.56	25 Jun 2008	5 years	25 Jun 2013
Directors	2,450,000	\$0.568	3 Nov 2008	5 years	3 Nov 2013
Directors	2,000,000	\$0.52	3 Nov 2008	5 years	3 Nov 2013
Employees	500,000	\$0.39	6 Nov 2009	5 years	6 Nov 2014
Employees	100,000	\$0.29	20 Oct 2009	5 years	20 Oct 2014
Employees	200,000	\$0.39	26 Oct 2009	5 years	26 Oct 2014
Employees	75,000	\$0.39	6 Nov 2009	5 years	6 Nov 2014
Employees	500,000	\$0.38	2 Feb 2010	5 years	1 Feb 2015
Employees	1,525,000	\$0.41	27 Aug 2010	5 years	26 Aug 2015

In addition to the options that have been issued to date, approval is being sought at this annual general meeting to grant a further 2,550,000 options to directors. Approval for these options is being sought under Resolution 4, details of which have been provided in this explanatory memorandum below. If these options are approved it will result in total outstanding options of 15,500,000, which represent 5.96% of the total ordinary shares on issue for the Company.

#### Plan Summary

A summary of the key terms and conditions contained within the Plan is provided below:

1. The board may issue options up to 10% of the issued shares in the Company to employees of the Company.
2. Eligible employees are any employee of the Company or a Subsidiary of the Company (including any director or officer who is employed in an executive capacity), any non-executive director of the Company or of a subsidiary of the Company, or any consultant of the Company nominated by the Board as eligible to participate in the Plan.



3. Associate means a company which is controlled by an Eligible Employee or his or her spouse, de facto partner, child or dependant of the Eligible Employee, the trustee of a trust the beneficiaries of which trust include an Eligible Employee or his or her spouse, de facto partner, child or a dependant of the Eligible Employee or a spouse, de facto partner, child or dependant of the Eligible Employee.
4. The exercise price of the plan options shall be determined by the Board but will be not less than the 5 day Volume Weighted Average Price of the sale of the Company's ordinary Shares on the ASX immediately prior to the Board Determination Date.
5. The Board Determination Date means the date on which the Board resolves to offer to issue Plan Options to an Eligible Employee (subject to necessary approvals where applicable).
6. A maximum term of the plan options is 5 years from the date of issue.
7. The plan options issued to an eligible employee will expire six (6) months after the date that the Eligible Employee ceases to be employed by the Company
8. The issue price of the options is nil.

#### **Resolution 4: Approval of the issue of options pursuant to the IMX Resources Share and Option Incentive Plan**

##### **Resolution 4 (a) to 4 (f):**

These resolutions provide for the issue of options under the IMX Resources Share and Option Incentive Plan (**the Plan**) to directors of the Company, or their Associates (as that term is defined in the Plan), as eligible persons, in accordance with the terms of the Plan.

The Plan defines "Associate" as including:

- a company which is controlled by an Eligible Employee or his or her spouse, de facto partner, child or a dependant of the Eligible Employee;
- the trustee of a trust the beneficiaries of which include an Eligible Employee or his or her spouse, de facto partner, child or a dependant of the Eligible Employee;
- a spouse, de facto partner, child or a dependant of the Eligible Employee.

The options will be issued to the named directors or their Associates as soon as possible but in any event within three (3) months following shareholder approval of these resolutions.

The previous allocation of options under the Plan was approved by shareholders on 29 October 2008. The issue of these options are recommended by the Nomination & Remuneration Committee and has been assessed in line with industry standards for the remuneration of directors.

Up to 2,550,000 options are proposed to be issued to directors under the Plan to the named directors or their Associates, as outlined in resolutions 4(a) to 4(f).

The exercise price of an option issued under the Plan must not be less than the five (5) day value weighted average price ("VWAP") of the sale of the Company's shares immediately prior to the date ("Board Determination Date") that the Board resolved to offer to issue the options the subject of the resolutions (subject to any necessary shareholder approval). That date was 29 July 2010. The VWAP immediately prior to the Board Determination Date was 45 cents.

The options to be issued under resolutions 4(a) to 4(f) are to be priced as per the table below:

<b>Resolution</b>	<b>Issued to</b>	<b>Number of Options</b>	<b>Exercise Price</b>	<b>Term</b>	<b>Basis of Allocation</b>
4(a)	J. Jooste-Jacobs	350,000	\$0.49 <sup>(1)</sup>	5 years	Ongoing Incentive
4(b)	T. Haggarty	350,000	\$0.49 <sup>(1)</sup>	5 years	Ongoing Incentive
4(c)	S. Hunt	350,000	\$0.49 <sup>(1)</sup>	5 years	Ongoing Incentive
4(d)	D. McBain	500,000	\$0.49 <sup>(1)</sup>	5 years	Ongoing Incentive
4(e)	J. Nitschke	500,000	\$0.45 <sup>(2)</sup>	5 years	Initial Directors Allocation
4(f)	Y.G. Song	500,000	\$0.45 <sup>(2)</sup>	5 years	Initial Directors Allocation

(1) The exercise price of the options represent a 10% premium to the 5 day VWAP immediately prior to the Board Determination Date.

(2) The exercise price of the options represent the 5 days VWAP immediately prior to the Board Determination Date.

The options will vest immediately upon grant, which will be no later than three (3) months following the shareholder approval of these resolutions.

The options are to be issued (if the resolutions are passed) to ensure an ongoing incentive to the directors to maximise the performance of the Company and add value for shareholders and as part of the initial allocation of options to new directors to ensure this same incentive. The Nomination and Remuneration Committee have determined that the initial allocation for new directors should be consistent and that 500,000 options are reasonable.

Options form an important part of an incentive based remuneration for directors and are a means of rewarding directors without taking cash from the Company as well as introducing a longer term focus. The board feels that options are the most appropriate means under the current circumstances to reward performance.

During the previous 12 months the highest price of IMX's shares was 56 cents on 27 April 2010 and the lowest price of IMX's shares was 27 cents on 8 October 2009. The closing price of IMX's shares on the five trading (5) days prior to the finalisation of this explanatory memorandum is set out below:

Trading Day	Share Price	
	High	Low
01 October 2010	44c	43.5c
04 October 2010	44c	44c
05 October 2010	43.5c	43.5c
06 October 2010	43c	42.5c
07 October 2010	43.5c	43.5c

### Valuation of Unlisted Options

The issue price of the options will be nil.

The Company has valued the options to the directors using the Black-Scholes Option Valuation Methodology. The assumptions used in making this valuation are:

Market value of a fully paid share as at 28 July 2010	45 cents
Volatility factor	50%
Assumed term	5 years
Risk free interest rate	4.50%

The shares in the Company have traded over the past 12 months in the range of 27 cents to 56 cents with a calculated monthly volatility of around 43% and over the past six months the shares have traded in the 39 cents to 55 cents range with a calculated monthly volatility of around 47%. It is not unusual for exploration companies trading on the ASX to have volatilities in the 50% to 100% range (some lower and others far higher). Taking into account the current share price and trades over the past six to twelve months, we consider a volatility of 50% to be reasonable.

Based on the above assumptions the table below summarises the valuation of the options under Black-Scholes:

Resolution	Issued to	Valuation per option	Number of Options	Total Value
4(a)	J. Jooste-Jacobs	20.9 cents	350,000	\$73,115
4(b)	T. Haggarty	20.9 cents	350,000	\$73,115
4(c)	S. Hunt	20.9 cents	350,000	\$73,115
4(d)	D. McBain	20.9 cents	500,000	\$104,451
4(e)	J. Nitschke	22 cents	500,000	\$109,975
4(f)	Y.G. Song	22 cents	500,000	\$109,975

If all options are issued, under A-IFRS, the company will recognise the \$543,746 as an expense and corresponding increase in share capital.

Any changes in the variables applied in the Black-Scholes Option Valuation Methodology between the date of the valuation and the date the options are issued would have an impact on their value.

### **Corporations Act**

Chapter 2E of the Corporations Act sets out the circumstances in which a public company, which is listed on the ASX, may give a financial benefit to a related party of the public company. One such circumstance is where the public company first obtains the approval of its shareholders in general meeting and that the conditions set out in Division 3 of Part 2E.1 of the Corporations Act have been satisfied.

A “related party” for the purposes of the Corporations Act is defined widely. It includes a director of the public company and specified members of the director’s family. It also includes an entity over which a director maintains control.

A “financial benefit” for the purposes of the Corporations Act is also defined widely. It includes a public company paying money to another entity. It also includes the public company issuing securities or granting an option over the securities (i.e. shares in the Company). In determining whether or not a financial benefit is being given, it is necessary to look to the economic and commercial substance and effect of the transaction (rather than just the legal form) and any consideration which has been given is to be disregarded, even if it is full or adequate.

The proposed allocation to the directors is a financial benefit and therefore requires shareholder approval pursuant to Section 208 of the Corporations Act.

In accordance with Section 219 of the Corporations Act the following information is provided:

#### **A. The related party to whom the proposed resolution would permit the financial benefit to be given.**

The following number of options will be issued to the following Directors or their Associates as that expression is defined in the Plan:

<b>Resolution</b>	<b>Issued to</b>	<b>Number of Options</b>
4(a)	J. Jooste-Jacobs	350,000
4(b)	T. Haggarty	350,000
4(c)	S. Hunt	350,000
4(d)	D. McBain	500,000
4(e)	J. Nitschke	500,000
4(f)	Y.G. Song	500,000

#### **B. The nature of the financial benefit**

The proposed financial benefit to be given is the allotment of up to 2,550,000 options at an exercise price of 49 cents per option in respect of 1,550,000 options and at an exercise price of 45 cents per option in respect of the remaining 1,000,000 options. The rights attaching to these options are set out in the Plan a summary of which is set out below at point E. The valuation of these options is set out above under the heading “Valuation of Unlisted Options”.

#### **C. Directors’ Recommendation**

None of the Directors of the Company wish to make a recommendation about the proposed resolution as the resolution seeks the issue of options to other directors.

**D. Any other information that is reasonably required by members to make a decision and that is known to the Company or any of its Directors**

The Company presently has 273,202,803 securities issued of which there are 260,252,803 ordinary fully paid shares and 12,950,000 options. If the options referred to in Resolution 4(a) to 4(f) are issued this will result in the Company having 275,752,803 securities issued, of which 260,252,803 will be fully paid and 15,500,000 will be options. This equates to a dilution factor for the existing shareholders of approximately 1.0% if the options proposed under Resolutions 4(a) to 4(f) are exercised. A copy of the Plan is available at Suite 18, Level 2, 100 Railway Road, Subiaco, WA to be inspected free of charge by any shareholder within the hours of 10am and 4pm Monday to Friday.

As at the date of this Explanatory Memorandum the interests of Messrs Jooste-Jacobs, Haggarty, Hunt, McBain, Nitschke and Song in securities issued by the Company and related bodies corporate are:

Name	Fully Paid Shares	Options
J. Jooste-Jacobs	971,908	2,100,000
T. Haggarty	7,064,522	1,550,000
S. Hunt	150,000	1,550,000
D. McBain	255,000	3,750,000
J. Nitschke	-	-
Y. Song	51,771,000	-

If Resolutions 4(a) to 4 (f) are passed and the options referred to in those Resolutions are issued then the security holding of Messrs Jooste-Jacobs, McBain, Hunt, Haggarty, Nitschke and Song will be increased by the number of options described in this Explanatory Memorandum.

The following table shows the total anticipated remuneration package of each of the directors that are to receive options under Resolution 4 for the financial year ended on 30 June 2011. The second column under the heading “*Directors’ Fees/Remuneration*” lists the anticipated amounts to be received by the directors for the work each performs and for the services each provides in the financial year ended 30 June 2011. The third column headed “*Options (assuming resolutions 4(a) to 4(f) are passed)*” lists the value of the options to be issued to each director using the valuation methodology described in this Explanatory Memorandum under the heading “*Valuation of Unlisted Options*”.

Director	Directors’ Remuneration	Options (assuming Resolutions 4(a) to 4(f) are passed)	Total
J. Jooste-Jacobs	\$90,000	\$73,115	\$163,115
T. Haggarty	\$55,000	\$73,115	\$128,115
S. Hunt	\$50,000	\$73,115	\$123,115
D. McBain <sup>(1)</sup>	\$252,362	\$104,451	\$356,813
J. Nitschke	\$50,000	\$109,975	\$159,975
Y. Song	\$45,833	\$109,975	\$155,808

<sup>(1)</sup> Mr McBain is the Managing Director and an executive director

Since 29 October 2008, the date of the last approval, the directors named in resolution 4(a) to 4(f) have received the following number of options at the following exercise price under the Plan in accordance with shareholder approval, namely:

<b>Name of Director</b>	<b>Number of Options Issued</b>	<b>Exercise Price</b>	<b>Date of Issue</b>
J. Jooste-Jacobs	600,000	56.8¢	3 November 2008
J. Jooste-Jacobs	500,000	52¢	3 November 2008
T. Haggarty	550,000	56.8¢	3 November 2008
T. Haggarty	500,000	52¢	3 November 2008
S. Hunt	550,000	56.8¢	3 November 2008
S. Hunt	500,000	52¢	3 November 2008
D. McBain	750,000	56.8¢	3 November 2008
D. McBain	500,000	52¢	3 November 2008

The names of all directors entitled to participate in the Plan are Messrs Jooste-Jacobs, McBain, Hunt, Haggarty, Song, Nitschke and Cao or their Associates (as that term is defined in the Plan).

#### **E. Terms of the Plan**

The terms of the Plan are summarised under Resolution 3 of this Explanatory Memorandum.

#### **BY ORDER OF THE BOARD**

**A N Steers**

**Company Secretary**

Dated at PERTH this 8 day of October 2010.

\* \* \* \*

I/We .....  
 (PLEASE PRINT NAME – EXACTLY AS SHOWN ON YOUR HOLDER STATEMENT)

Of .....  
 being a member/members of IMX Resources Limited.

**The Chairman of the meeting** OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

For undirected proxies, the Chairman intends to vote in favour of the resolution. If the Chair of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote, please place a mark in the box. By marking this box, you acknowledge that the chair may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. If you do not mark this box and you have not directed your proxy how to vote, the Chair will not cast your votes on the resolution and your vote will not be counted in calculated the required majority if a poll is called on the resolution.

**Items of Business**

		For	Against	Abstain
Resolution 1	Adopt the Directors' Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2(a)	Re-election of Johann Jooste-Jacobs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2(b)	Re-election of Tony Haggarty	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2(c)	Election of John Nitschke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2(d)	Election of Yuan Gang Song	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of the IMX Resources Share and Option Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4(a)	Approval of grant of options to a Director, Johann Jooste-Jacobs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4(b)	Approval of grant of options to a Director, Tony Haggarty	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4(c)	Approval of grant of options to a Director, Stephen Hunt	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4(d)	Approval of grant of options to a Director, Duncan McBain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4(e)	Approval of grant of options to a Director, John Nitschke	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4(f)	Approval of grant of options to a Director, Yuan Gang Song	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

If the shareholder is an **INDIVIDUAL**:

**Individual or Security holder 1**      **Individual or Security holder 1**      **Individual or Security holder 1**

**Contact Name:** \_\_\_\_\_ **Contact Daytime Telephone:** \_\_\_\_\_ **Date:** \_\_\_\_ / \_\_\_\_ / 2010

Proxy appointed to represent \_\_\_\_\_% of my voting right.  
 My total voting right is \_\_\_\_\_ ordinary shares.

**IMX Resources Limited**  
**Proxy Form**

ACN 009 129 560

If the shareholder is a **COMPANY**:

**Insert Company Seal Here**

**THE COMMON SEAL** of \_\_\_\_\_  
was hereunto affixed by authority of the  
Directors in the presence of:

**Sole Director & Sole Company Secretary**

**Director**

**Director/Company Secretary**

**Contact Name:** \_\_\_\_\_

**Contact Daytime Telephone:** \_\_\_\_\_

**Date:** \_\_\_\_\_ / \_\_\_\_\_ / **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 (e.g. "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 Suite 18, Level 2, 100 Railway Road, Subiaco, Western Australia or by fax to (61 8) 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 share registry office 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, Western Australia 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.

The time nominated by the Board for the purpose of determining the voting entitlements at the meeting is 5:00pm Perth time on 12 November 2010.