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IMX SECURES \$1.54M TO COMPLETE GRAPHITE RESTRUCTURE

Strong shortfall take-up demonstrates support for strategy to target the high-margin, fast-growing expandable graphite market

IMX Resources Limited (ASX: IXR) ('IMX' or the 'Company') is pleased to advise it has secured a total of \$1.54 million in new funding to complete the restructure of its Tanzanian asset portfolio, including the creation of a standalone listed company to house the flagship Chilalo Graphite Project.

IMX received significant interest from investors to take up the shortfall from the recent non-renounceable entitlement offer (the 'Entitlement Offer') and was forced to scale back allocations.

The Company has successfully placed 295,746,922 shortfall shares to raise approximately \$1.2 million, after receiving acceptances for a total of 90,648,950 shares raising \$362,596 in the Entitlement Offer (see ASX announcement 21 January 2016). The majority of the shortfall was placed to existing shareholders however strong interest was also shown from brokers. IMX's Managing Director, Mr Phil Hoskins, said the Company was delighted with the strong response and take-up of the shortfall.

"This is an excellent result that puts the Company on a strong footing to complete the restructure of the IMX asset portfolio, including the creation of a new ASX listed graphite company that will hold the Chilalo Graphite Project. The demand for the Shortfall Placement is reflective of the quality of our Chilalo Project, in particular the exceptional expandability of Chilalo Graphite, which makes it ideal for use in the manufacture of expandable graphite, a high-value market that is experiencing significant growth.

The support for the Shortfall Placement also validates the proposed restructure, which we believe is critical to realising the significant value in both the Chilalo Project and our base and precious metal assets" he said.

Following allotment of the shares associated with the Entitlement Offer (including the Shortfall Placement), the Company will have 1,545,583,489 shares on issue.

Arrangements for the proposed corporate restructuring (see ASX announcement 21 December 2015) are continuing and shareholders can expect further updates in coming weeks.



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About IMX Resources Limited

IMX Resources is an Australian minerals exploration company that holds a substantial tenement package at the Nachingwea Property in south-east Tanzania. The Nachingwea Property hosts the Chilalo Graphite Project, the Ntaka Hill Nickel Project and the Kishugu and Naujombo Gold Prospects. IMX's primary focus is on developing the high-grade and coarse flake Chilalo Graphite Project. The Pre-Feasibility Study ('PFS') released on 23 November 2015 outlined a low cost, high-margin operation, with attractive project economics and confirmed the potential viability of a small scale open pit mining and conventional flotation processing operation. The PFS is based on a high-grade Indicated and Inferred JORC Mineral Resource of 9.2 Mt grading 10.7% Total Graphitic Carbon ('TGC'), comprised of an Indicated Resource of 5.1 Mt grading 11.9% TGC for 613,800 tonnes of contained graphite and an Inferred Resource of 4.1 Mt grading 9.1% TGC for 370,300 tonnes of contained graphite. Chilalo is located approximately 220 km by road, from the deep water commercial Mtwara Port, the majority of which is a sealed main road. IMX aims to become a respected supplier of high quality graphite.

To find out more, please visit www.imxresources.com.au.