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Snaefell Iron Ore Resource Drilling Confirms Continuity of Magnetite Mineralisation

Iron ore producer, IMX Resources Limited (ASX:IXR), is pleased to announce that analytical results from the initial 6 RC drill holes completed at the wholly owned Snaefell iron ore prospect have confirmed the width, grade and continuity of the target magnetite mineralisation. The Snaefell iron ore prospect is located approximately 12km southwest of the IMX Cairn Hill magnetite-copper-gold mine, and forms part of the IMX Mt Woods Fe Project in South Australia.

In October a 17 hole, 5,000m RC resource drilling programme commenced at the Snaefell. To date 16 holes for a total of 3,542m have been drilled; with the balance of the programme expected to be completed in Q1 2011. The Snaefell iron prospect is interpreted to have a strike length of more than 3km and a vertical depth extent of at least 250m. The RC programme is designed to define a JORC mineral resource at the Snaefell "Core Area", where an exploration target tonnage of 70-100Mt grading 28-35% Fe was estimated over an 800m strike length in 2009. An additional 200-300Mt target of similar grade is interpreted to exist along strike of the core area but is not currently being tested (ASX: November 11 2009).¹

The resource drilling intersected wide intervals of 72 to 103m of magnetite mineralisation averaging between 27 and 33% Fe in holes SFRC004 to SFRC009 (Table 1). The mineralisation remains open at depth with holes SFRC005, SFRC006 and SFRC009 ending in mineralisation at 230m downhole depth. These results confirm the exploration target tonnage mineralisation model used to plan the drilling.

Detailed metallurgical testwork indicates that up to 40% of the mass of the ROM ore could be rejected after crushing by dry magnetic separation. This is very encouraging as it would significantly reduce the size of any grinding circuit required. Wet LIMS magnetic separation at a P₈₀ of 150 microns could produce a 66% Fe magnetite concentrate. As with Cairn Hill, the Snaefell magnetite appears to be relatively coarse grained which has the potential for a lower capital and operating cost project.

Once the resource RC drilling has been completed and all laboratory results received, a JORC mineral resource will be prepared. A diamond drilling metallurgical programme is

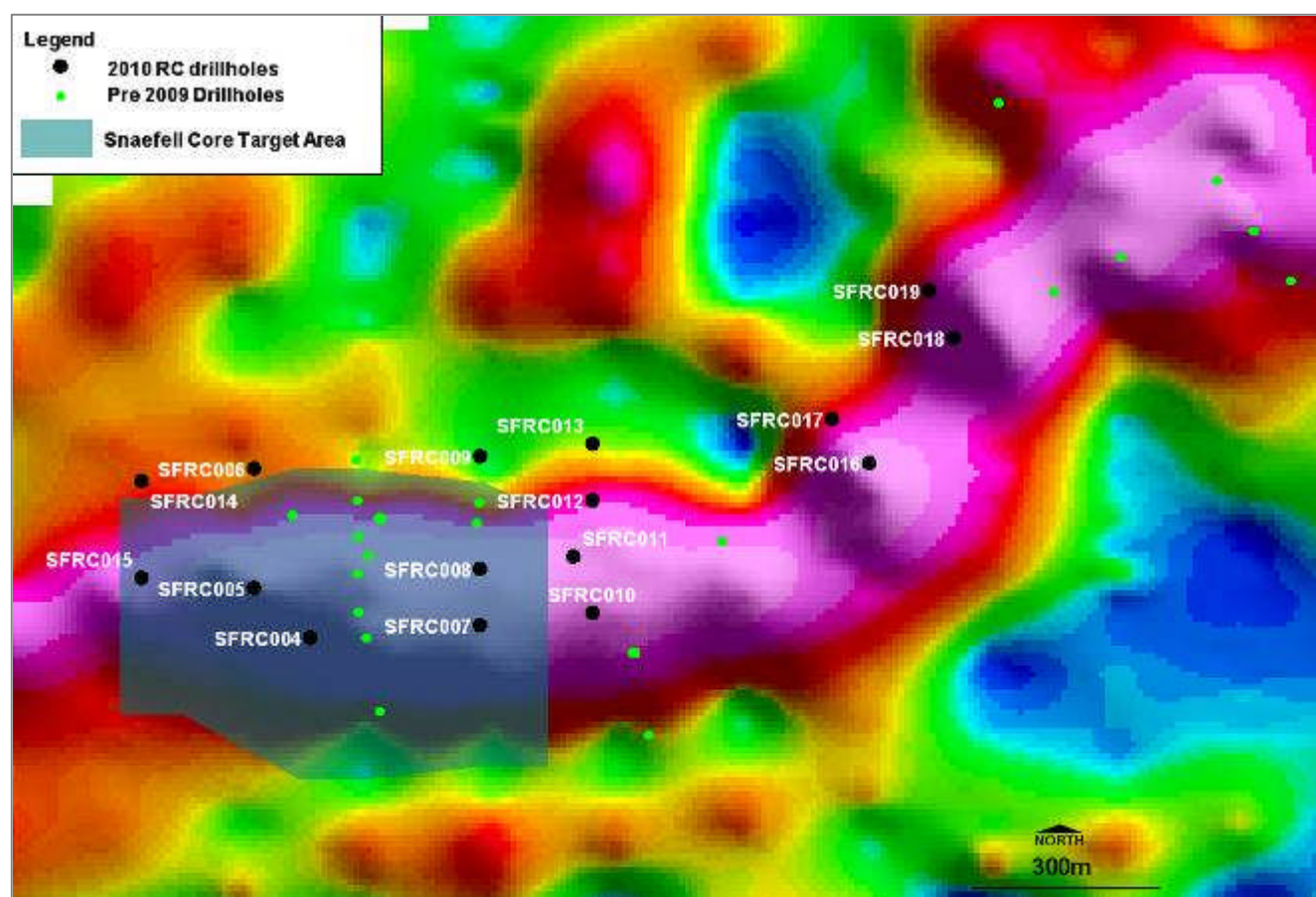
¹ NB: Target tonnage estimates are conceptual only. These figures are not resource estimates as defined by the JORC code (2004) as insufficient exploration has been conducted yet to define a Mineral Resource.

scheduled to commence in the first quarter of 2011 to confirm the preliminary metallurgical test results as the first phase of a planned pre-feasibility study.

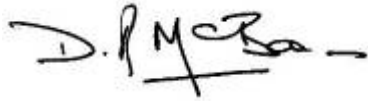
Table 1 RC Drilling Results (>20% Fe)

Hole	From (m)	To (m)	Interval (m)	Fe %
SFRC004	48	136	88	27.75
Includes	65	67	2	37.58
Includes	81	87	6	33.95
SFRC005*	158	230	72	31.21
Includes	180	182	2	34.50
SFRC006*	154	230	76	32.87
Includes	170	174	4	37.13
Includes	200	208	8	35.73
SFRC007	49	152	103	28.12
Includes	80	84	4	38.59
	164	188	24	26.92
SFRC008	46	60	14	29.71
	90	190	100	31.70
Includes	104	106	2	37.55
SFRC009*	144	230	86	27.74

* Holes terminated in magnetite mineralisation. All analyses are XRF fusion.



Snaefell is located within the Kangaroo Dam licence which is part of the IMX Mt Woods Project in South Australia. The licence is subject to a JV with OZ Minerals Ltd (ASX: April 13 2010) whereby IMX retains 100% of the iron ore rights and OZ Minerals is earning the non-iron ore rights.



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Information in this public report relating to exploration results is based on data compiled by Bianca Manzi who is a Member of the Australian Institute of Geoscientists, and who is a full-time employee of the Company. Bianca Manzi has sufficient relevant experience to qualify as a Competent Person under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Bianca Manzi consents to the inclusion of the data in the form and context in which it appears.

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 \$150m.

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 began production in June 2010, 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. The first ore is due to be exported from Port Adelaide in mid December. 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 a joint venture with OZ Minerals for the non-iron ore rights on its Mt Woods tenements. OZ Minerals has 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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