



# IMX Resources

**On the way to China – value creation through  
foreign investment and sound relationships**



*AFR Conference*

*Creating value through discipline, diversity & development*

# **WE ARE IN PRODUCTION**

**435,500 tonnes since December 2010**



**BUT IT HAS NOT BEEN PLAIN SAILING!!!!**

# OUR STRATEGY






**Establish a sound relationship with a Chinese end user  
or trader – with a vested interest in the mine**

First visit to China	October 2006
<b>Number of Visits since</b>	<b>40 - Cultural differences HUGE</b>
Agreement with Tonghua - shareholder	December 2007
Trial Mining	June to September 2008
Foreign Bank financing in principle	September 2008
Built underpass to Stuart Highway	August 2008 – January 2009
GFC	October 2008

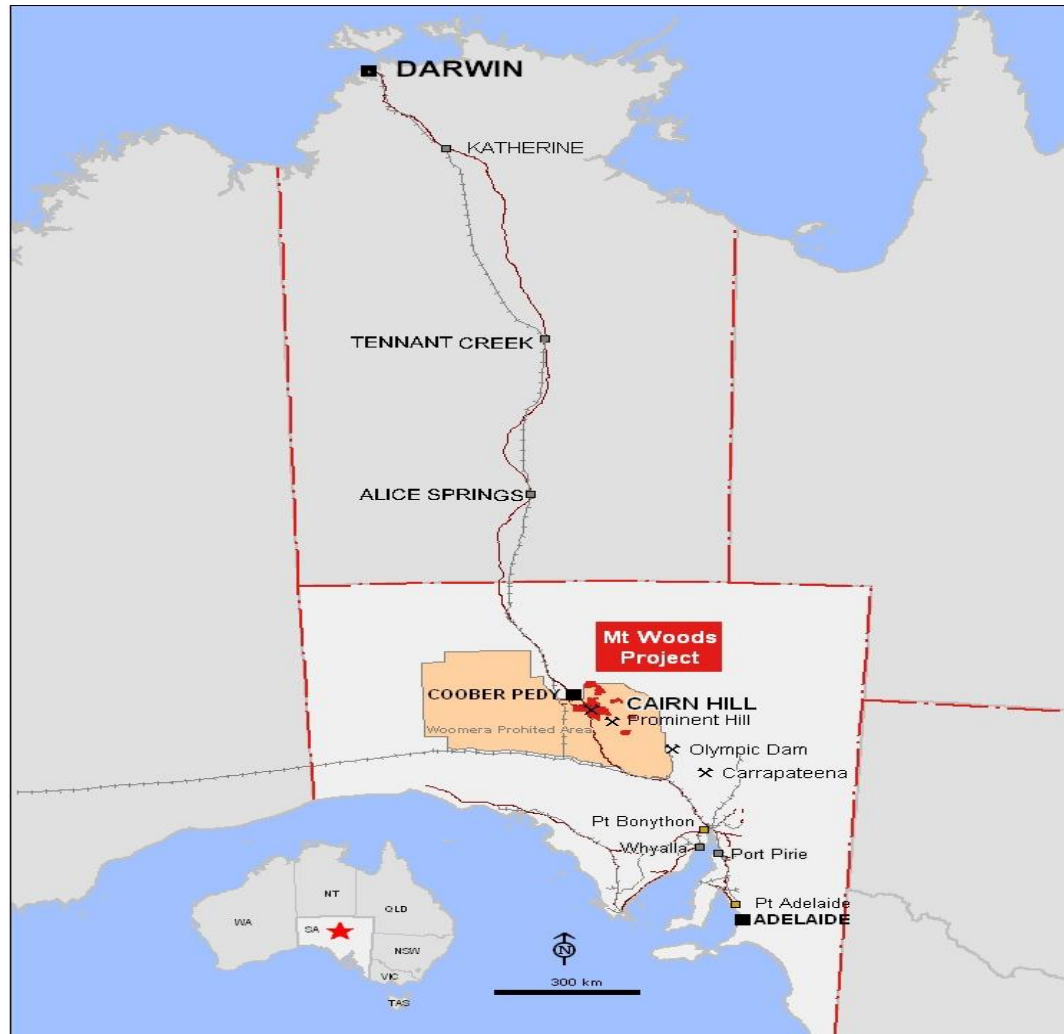
**Setback**

Agreement with Sichuan Taifeng	December 2009
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# PROJECT ISSUES

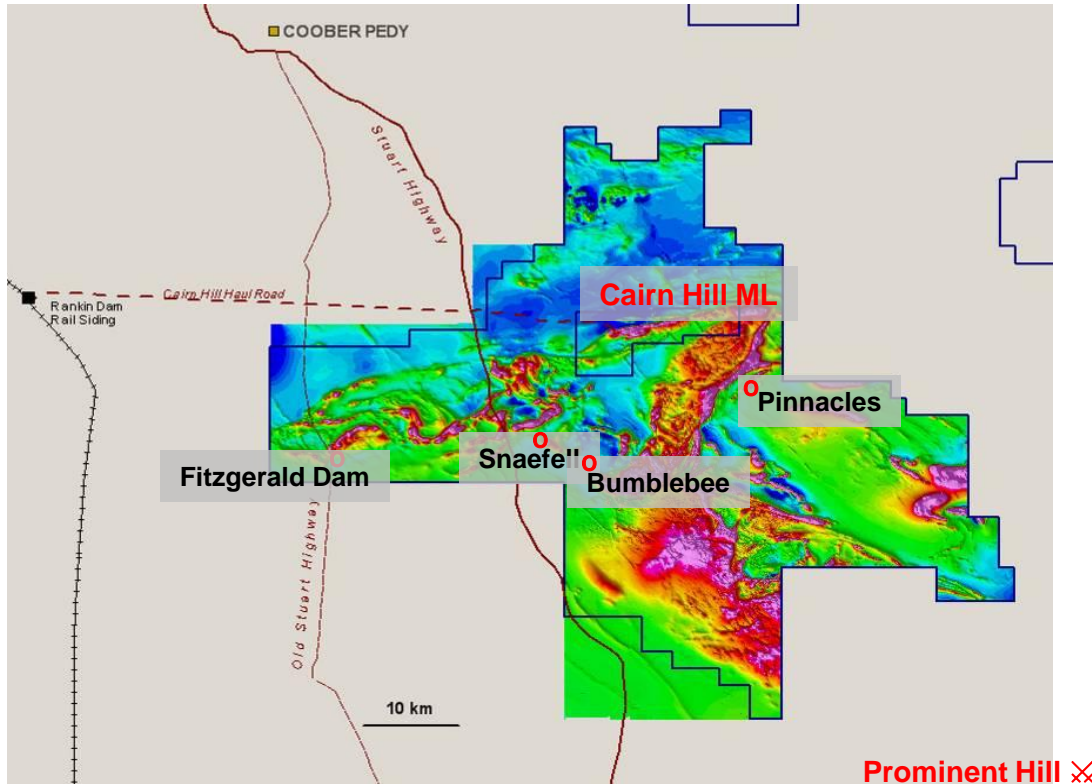
-  Location
-  Resource
-  Customer
-  Logistics Chain
-  Finance

# LOCATION





# RESOURCE



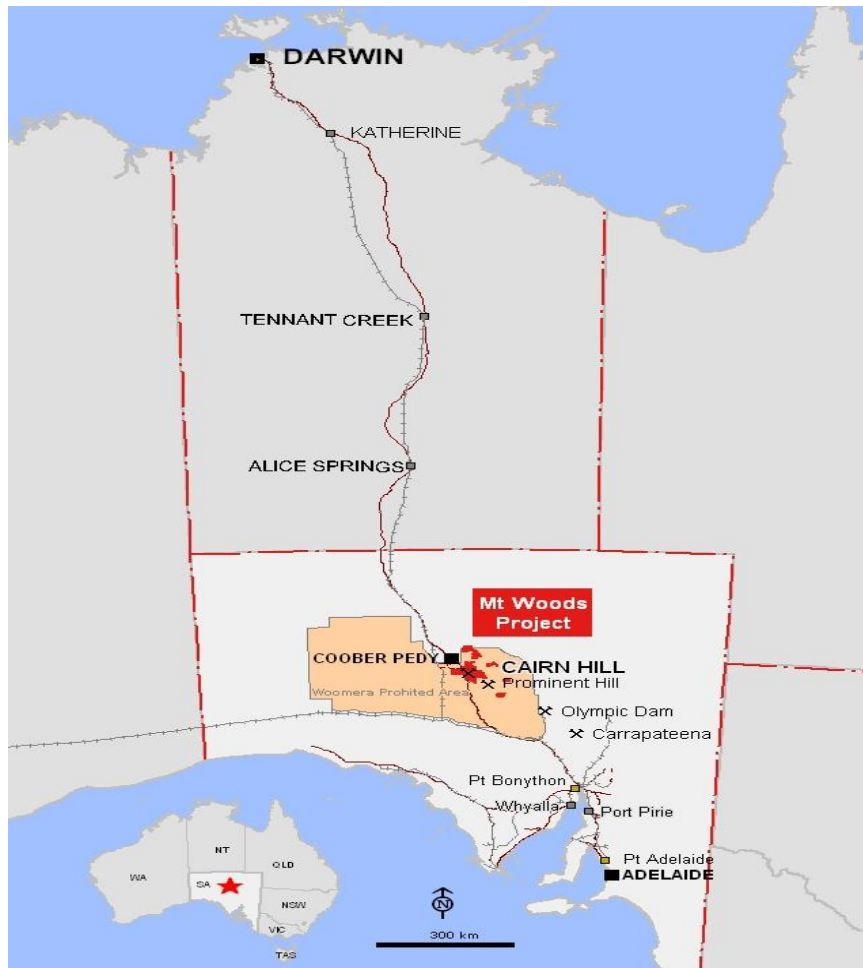
- Magnetite:  
Market Perceptions  
High Capex & Opex
- Copper content:  
required treatment

# CUSTOMER







- Ideally Chinese
  - magnetite
- Have processing plant
  - copper
- Commercial interest in mine





# LOGISTICS CHAIN



## Darwin

-  Longer distance
-  No shed required
-  Passing loops
-  Freight advantage

## Port Adelaide

-  Shorter distance
-  Storage shed required
-  No bottom or side discharge
-  Freight disadvantage



# FINANCE

## *Estimated Capex:*

Mine Site	\$4m
Processing Plant	\$60m
Infrastructure Logistics	\$35m
Approx	\$100m

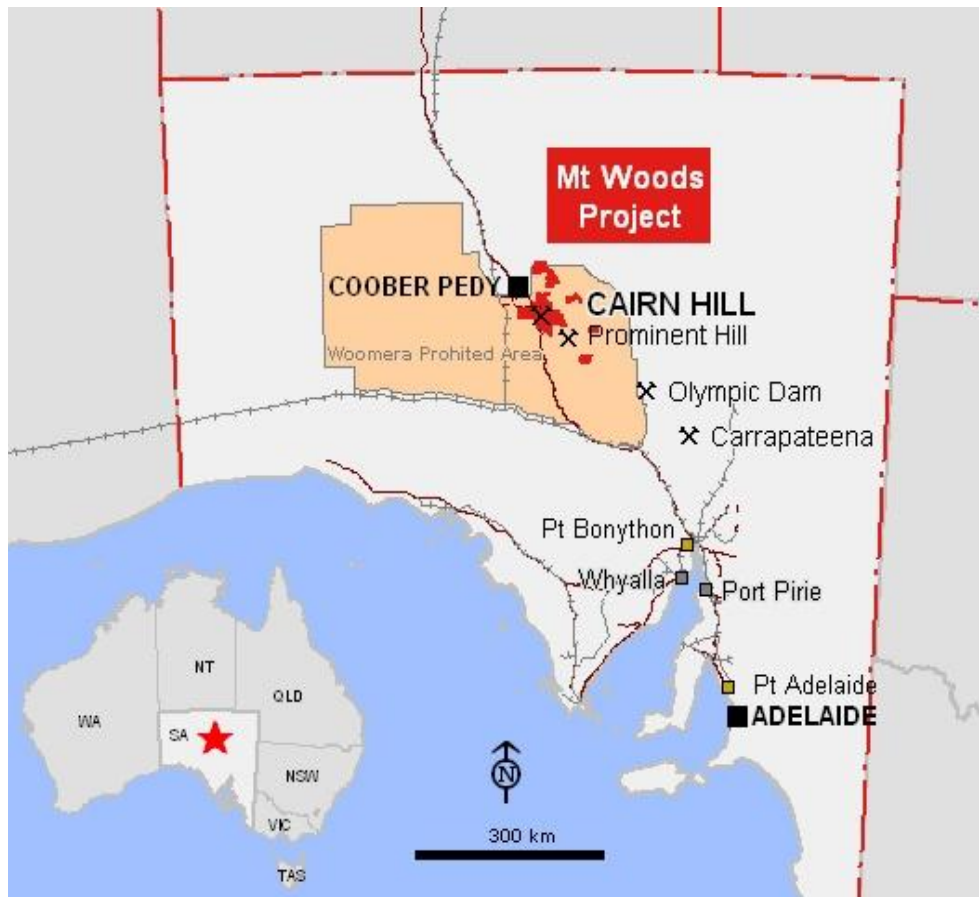
# SICHUAN TAIFENG

Sichuan Taifeng is a privately owned diversified group with activities in trading, real estate and mining

## The Agreement:

- ❖ Acquire 19.9% shareholding in IMX at 25% premium to market
- ❖ Acquire 50% of Cairn Hill Project
- ❖ Appoint a Director to IMX
- ❖ Subject to FIRB/DoD

# FIRB



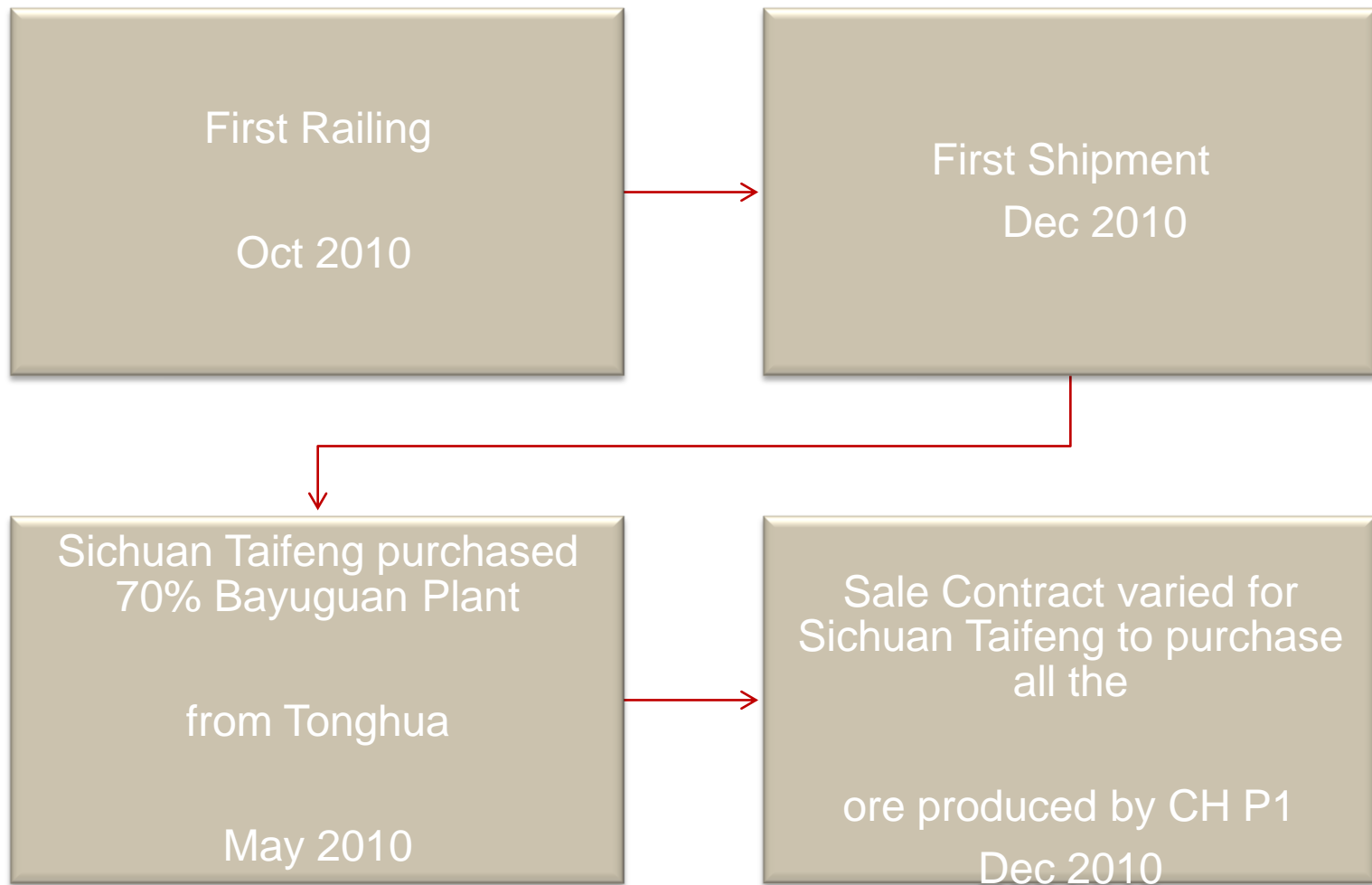
- ❏ Process complicated by Woomera Prohibited Area
- ❏ Agreement variations to 49:51
- ❏ Final Approval 9 July 2010

# CAIRN HILL PHASE 1 - Commencement





# CAIRN HILL PHASE 1 - Commencement



# CAIRN HILL MINE 2011





# CAIRN HILL - MINE TO RAIL



**Mining**



**Private Haul  
Road**



**Rail Siding and Loading Facility**

# CAIRN HILL - RAIL TO PLANT



**Port Adelaide – custom shipping containers**



**Port Adelaide - Ship Loader**



**Bayuquan Plant (China)**



# CAIRN HILL / MT WOODS – THE FUTURE

## Phase 1 – *In Production*

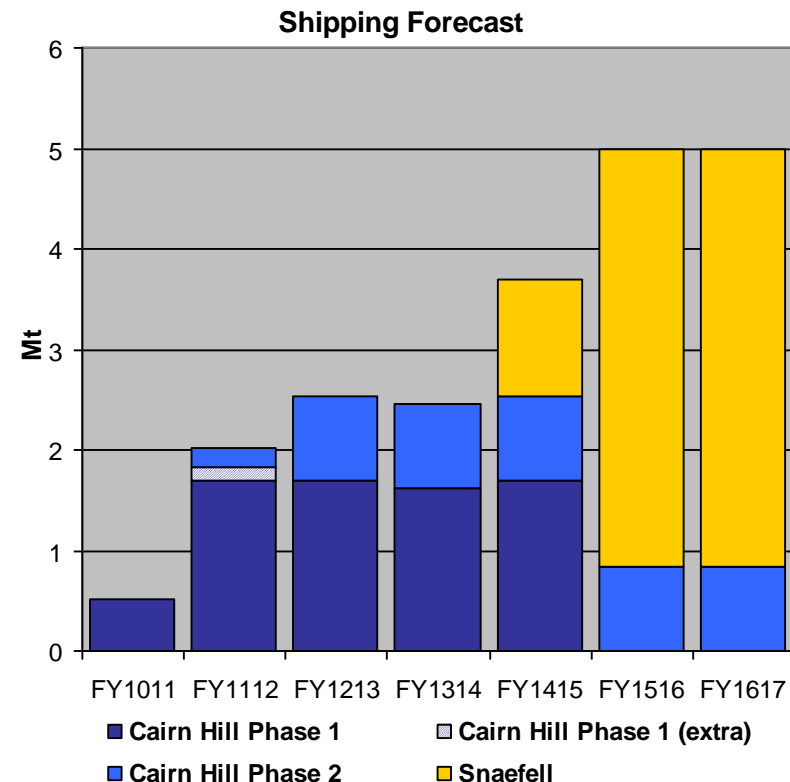
- 1.7mtpa dig & ship operation - ore processed in China
- In pit resources 7.9Mt @ 50.5% Fe, 0.39% Cu– 5 year mine life
- LOM sales contract with Sichuan Taifeng

## Phase 2 – *Maiden Resource Imminent*

- Magnetite Ore
- Final metallurgical testwork commenced for production of 60% product using dry magnetic separation
- Plant design work in progress
- Logistics in place
- **Planning 0.8-1.2mtpa from H1 2012**

## Snaefell – *The Future*

- Aiming for “Starter” 75-100Mt resource around end H1 2011
- Definitive metallurgical testwork commencing to confirm initial 2010 testwork
- Preliminary plant design work H2 2011
- Drillout of 250-300Mt mineralisation H2 2011
- Commence 5mtpa production in 3-5 year timeframe



# CAIRN HILL ECONOMICS

Capex	A\$m
Mine Pre-Strip and Trial Mine	11
Haul Road	5
Rankin Dam Siding	5
Total	21
Lease Costs	
Containers	10
Wagons and Loco's	40
Port Infrastructure	10
Total	60

# CAIRN HILL ECONOMICS cont

Opex	A\$ per tonne
Contractor	\$ 24
Other Site	\$ 5
Road and Rail Haulage	\$ 56
Port	\$ 15
Total	\$100

Revenue is based on spot prices of products less a fixed % to allow for processing costs etc. Grade is determined by load and discharge port assays

**THAT IS NOT THE END**

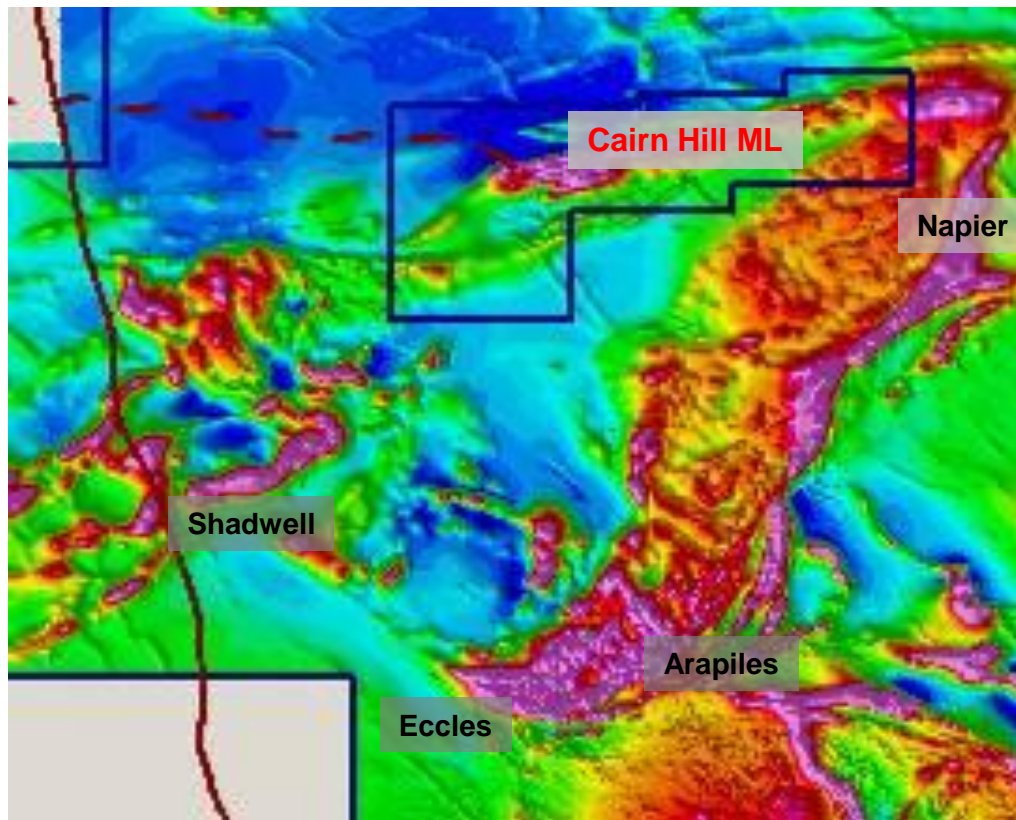


**OF THE IMX STORY!!!!**



# Mt Woods - Oz Minerals JV

- Major tenement position from first mover status
- OZL must spend \$20m over 5 years to retain 51% interest
- IMX can contribute to maintain its 49% interest or dilute to minimum 25% pre development by OZL funding a minimum of \$20m
- Fast tracks exploration beyond IMX's financial capabilities



## JV Year 1 – 2010/11

- Airborne Gravity Aeromagnetics
- Ground IP – done
- Drilling - 5,000m – commenced January

## JV Year 2 - 2011/12

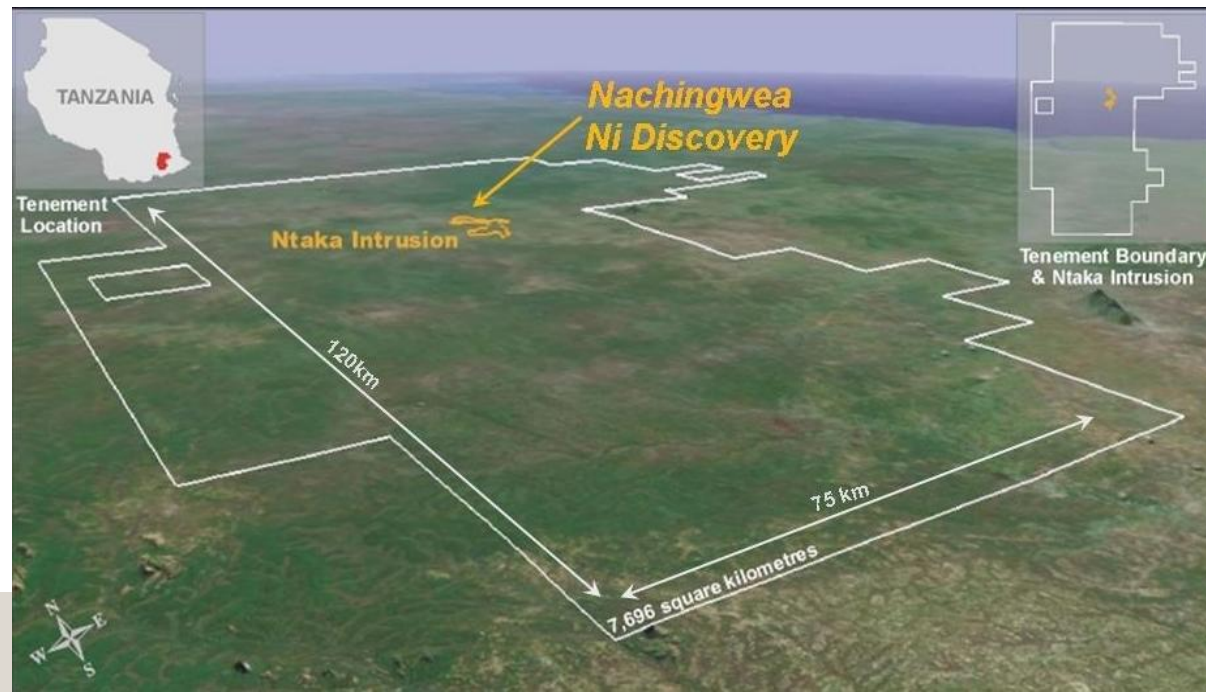
- One rig – 15,000m – drilling through 2011
- Continue/complete initial prospect testing
- Continued prospect generation
- IP and ground geophysical follow-up
- Aeromagnetic survey assessment
- Assess other JV tenements (North and NE)

# CNI Highlights

- ❶ IMX has 37.0% shareholding with anti-dilution provisions
- ❷ IMX also has a 25% contributing JV interest at Nachingwea
- ❸ CNI:TSXV (listed August 2007) – market cap ~C\$58m
- ❹ Well respected board with ex Falconbridge management team well versed in nickel & Africa
  - Board – John Nitschke (Chairman), David Massola (President), Song Yuangang, Gordon Chambers, Bruce Burton
  - Key Management – Patti Tirschmann (VP Exploration)
- ❺ Currently C\$10m in the bank
- ❻ A well funded and focussed management team with Nachingwea as the lead project

# Nachingwea – New Nickel Sulphide Province

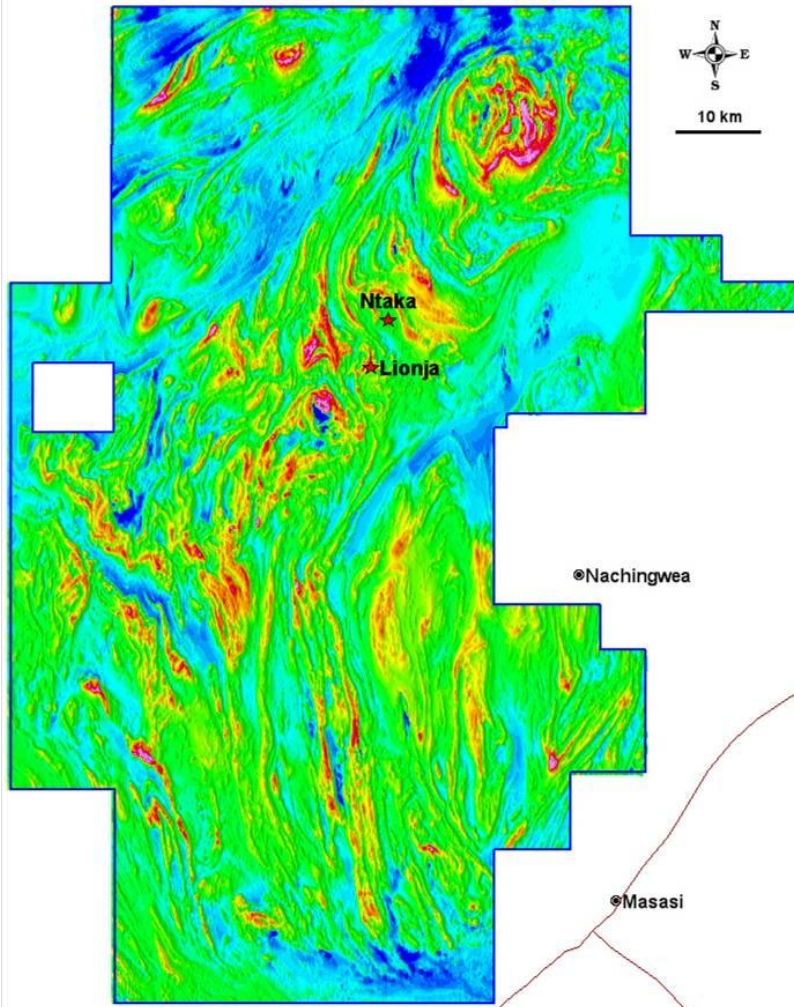
- Major tenement position from first mover status
- Resource at Ntaka / Sleeping Giant:  
**14.58mt @ 1.24% Ni<sub>eq</sub><sup>(1)</sup> – 161,800t contained Ni**
- Major tenement position from first mover status
- Mineralisation is shallow - open cut
- High grade Ni-CU sulphide zones, with grades up to 17.4% Ni & 3.3% Cu
- Sleeping Giant adds large moderate grade tonnes (with high grade zones)



<sup>(1)</sup> Measured+Indicated+Inferred Resources. Ni equivalent grade based 1.12% Ni, 0.24% Cu & 0.03% Co. prices of US\$10.00/lb, Cu US\$3.50/lb, CoUS\$20/lb and metal recoveries of Ni 87%, Cu 62% & Co 80%



# Nachingwea – 2011 Program



- 2011 Program:
  - Drill out Sleeping Giant commencing June -  
open in all directions – expand existing resource
  - Continue regional exploration to find the next Ntaka / Sleeping Giant
  - Commence scoping / pre-feasibility studies to look at options to advance development of existing resources
  - Baseline environmental studies
- Strategy – bring existing resources into production while aggressively expanding resources and exploring for new discoveries

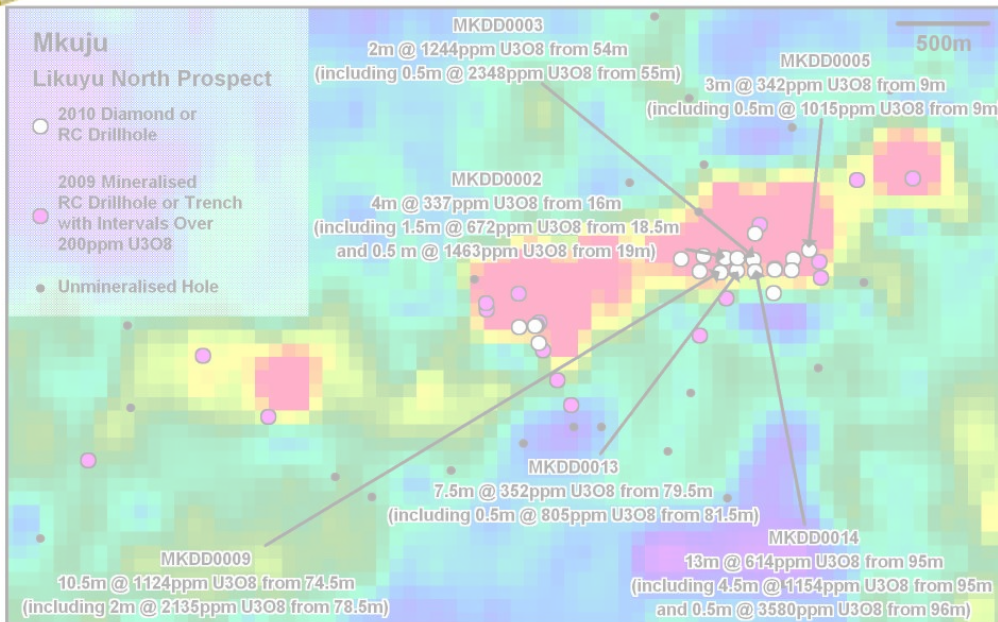


# Uranex NL

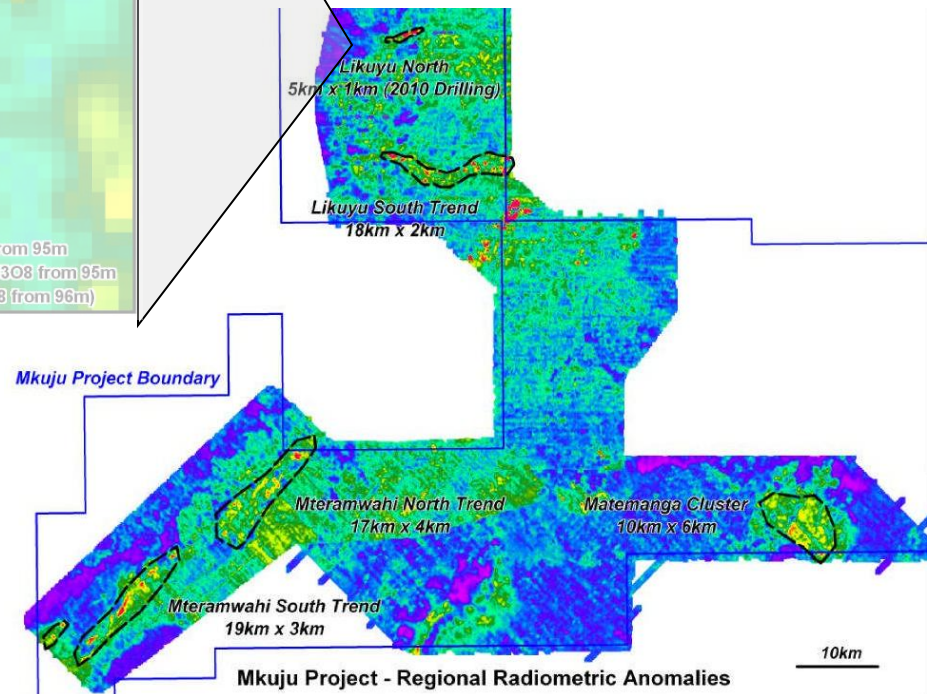
- ◉ IMX owns 27%
- ◉ Uranium and Coal explorer in Tanzania
- ◉ Board
  - Johann Jacobs – Chairman
  - Matt Gauci – Managing Director
  - Mark Chalmers – NED
  - Frank Poullas – NED
  - Stephen Hunt – NED

# Mkuju - Southern Tanzania

- Close and similar geological setting to Mantra's Mkuju River Deposit (101.4Mlbs @ 422ppm  $U_3O_8$ ).
- Current bid valuation for Mantra A\$10/lb



- Karoo Sandstone hosted
- Only 5km of 64km radiometric anomalies drilled to date
- High grade results from initial drilling
- 2011 Program to delineate resource at Likuyu North and drill test 4 priority targets



# IMX RESOURCES

## Market Summary

Fully paid shares on issue	262.6m
Options	12.45m
<i>(29c to 56.8c, various exercise dates)</i>	
Share Price	43c
Range (last year rolling)	39c – 80c
Market Cap	\$113m
Monthly Volume (shares)	3.1m
Cash <sup>(1)</sup>	\$28m
Listed Investments	\$39m
Debt	Nil
EV	\$46.0m

<sup>(1)</sup> Includes repayment of Outback Iron working capital facility

## Board

**Johann Jacobs** – Non Executive Chairman

**Duncan McBain** – Managing Director

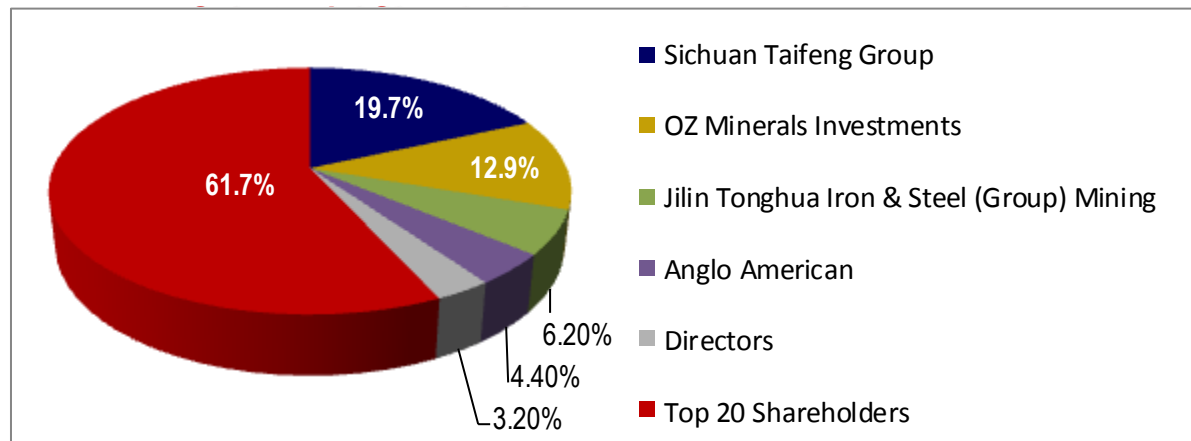
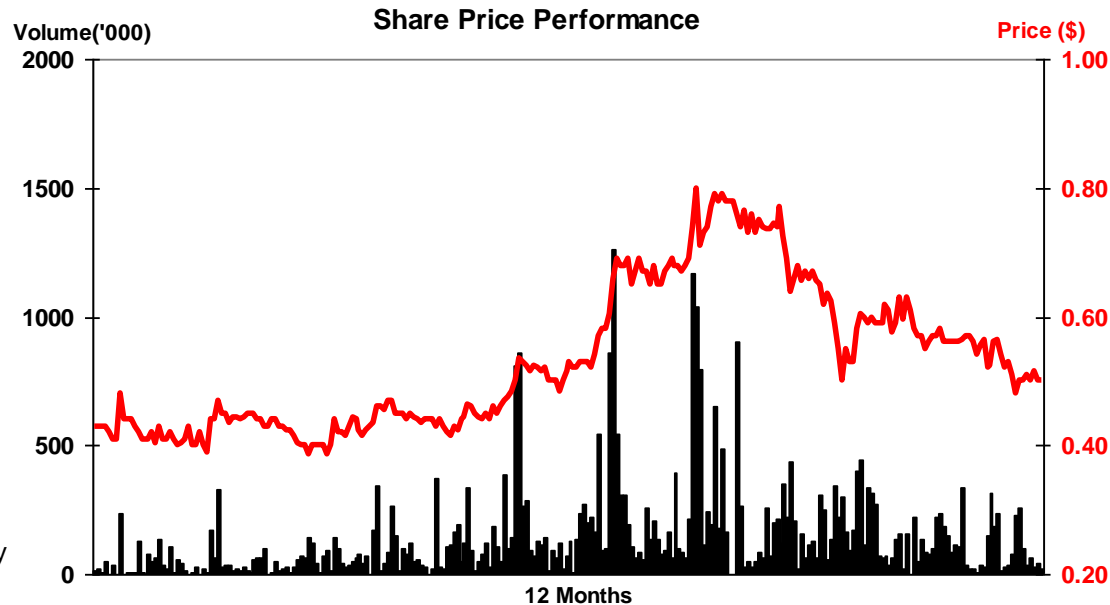
**Stephen Hunt** – Non Executive Director

**Tony Haggarty** – Non Executive Director

**John Nitschke** – Non Executive Director

**Song Yuangang** – Non Executive Director

**Cao Xiang Kui** – Non Executive Director



# IMX Strategy

- ❖ IMX has the ambition to become a multi mine owner
- ❖ Cairn Hill / Mt Woods provides a growth profile for the expansion of the iron ore business
- ❖ Evaluate near term production opportunities for joint ventures and acquisitions in steel making raw materials & copper

**IMX is in a strong position to grow with a strong cash position and supportive partners**

**Was our original strategy successful – in part – we established a sound relationship with a Chinese investor and customer – however the investment market has not recognised the true value of IMX Resources!!!!!!!!!!!!!!**

**Thank You**

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