

20 September 2011

Replacement Release - High Grade Nickel Concentrates and Recoveries Confirmed for Nachingwea Ni-Cu JV, Tanzania

IMX Resources Limited (ASX:IXR) advises that it has replaced its release of 16 September 2011, titled 'High Grade Concentrates and Recoveries – Nachingwea JV'. The Company advises that the news release from its joint venture partner, Continental Nickel Limited that it had attached was not JORC compliant. Accordingly, the Company has revised the release as below.

High grade composite concentrate results were returned from the initial 'sighter' flotation tests at the various Ntaka Hill deposits. Highlights include a **16.7% Ni** to **18.6% Ni** concentrate at Sleeping Giant with between **84.2%** and **90.2%** recovery, an M zone composite concentrate of **17.2% Ni** with **88.1%** recovery, and a **15.0% Ni** concentrate with **88.1%** recovery from H zone. Significantly all the concentrates returned low contaminant levels of As, Sb, Cr, Pb, Zn and in particular MgO (magnesium oxide) which reported between 1.5% and 3.9% MgO, which is low by global standards. The high grade nickel concentrate produced from Nachingwea will be highly marketable and compares favorably to the best nickel sulphide mines in the world.

The composite flotation tests were conducted at a moderately coarse grind size of 106 µm (P₈₀) using a conventional concentrate processing technique for nickel sulphide ore. Further testwork is planned to optimise concentrate grade and recoveries through grind size determinations and reagent additions.

Comminution testwork was also initiated with Bond Mill Work index rate tests completed on 3 ore zone composites. An average work rate of 14.8 kWh/t was determined for the Ntaka ores, which is typical for hard rock sulphide ores, and confirms the suitability of a conventional comminution circuit with typical operating costs.

The confirmation of the project's ability to produce high grade nickel concentrates with high recoveries using conventional processing technology will greatly reduce technical and start-up risk. This provides further confidence that the JV will be able to advance development of the Nachingwea JV Project into a potential world class mine operation.

Additional metallurgical testwork will be conducted on 2011 core samples to provide definitive performance and engineering design data for the project. The JV intends to undertake this test work program in the first half of 2012.

A full discussion of current results can be viewed in the CNI release to the TSXV as attached below.

Nachingwea Holding Structure

IMX's interest in the Nachingwea Ni-Cu JV Project is held through a direct 25% interest in the Tanzanian joint venture company, Ngwena Limited, and indirectly through a 37.2% interest in CNI. IMX funds its joint venture interest on a pro rata basis.



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Note:

The Mineral Resource Estimate summary shown in Table 1 of the attached CNI release was prepared by Roscoe Postle Associates Inc. of Toronto, Ontario under the supervision of Chester Moore, P. Eng., Principal Geologist. Mr. Moore is a member of Professional Engineers of Ontario (PEO) and also the Association of Professional Geoscientists in Ontario (APGO), which is a Recognised Overseas Professional Organisation. The quality control, technical information and all aspects of the exploration program were supervised by Patricia Tirschmann, P.Geo., Vice President, Exploration for CNI. Ms. Tirschmann is a member of both Association of Professional Geoscientists in Ontario (APGO) and Association of Professional Engineers and Geoscientists of the Province of Manitoba (APEGM), which are Recognised Overseas Professional Organisations. Mr. Moore and Ms. Tirschmann are qualified persons as defined by National Instrument 43-101. The Mineral Resources Estimate has been classified as Measured, Indicated and Inferred based on the guidelines of the JORC Code (2004). Mr. Moore and Ms. Tirschmann consent to the inclusion of the data in the form and context in which it appears.

The full classification of the summarised Ntaka Hill Resources at NSR Cut Off of US\$17/tonne listed in Table 1 is:-

Zone	Category	Tonnes (000's)	% Ni	% Cu	% Co	NSR (US\$/t)	Contained Ni (tonnes)
NSR Cut-off: US\$17/tonne							
Ntaka Hill	Measured	1,871	1.74	0.30	0.05	275	32,500
Ntaka Hill	Indicated	3,110	0.91	0.20	0.04	148	28,400
Total	M + I	4,981	1.22	0.24	0.04	196	60,900
Ntaka Hill	Inferred	1,860	0.68	0.15	0.03	110	13,000
Sleeping Giant	Inferred	15,400	0.77	0.17	0.02	120	119,000
Total	Inferred	17,260	0.76	0.17	0.02	120	131,000

Note: NSR values derived from grade were determined using average long-term nickel, copper and cobalt prices of US\$10.00/lb, US\$3.50/lb, and US\$20.00/lb, respectively; preliminary metal recoveries estimated at 87% for nickel, 81% for copper and 80% for cobalt, and allowances for transportation of concentrate and standard industry treatment charges for smelting and refining. Ntaka Hill is comprised of the G, H, J, L, M and NAD013 sulphide zones.

For further details please refer to ASX release 3 March 2011 – Significant Increase In Resources at Nachingwea JV Tanzania.

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 \$110m.

IMX is an active diversified mining company with a mining project in South Australia, and exploration projects in South Australia, Tasmania, as well as Tanzania and Mozambique in East Africa, focusing on a range of commodities including iron-ore, nickel, copper and gold. IMX is currently working towards focusing its activities on steel and steel related products, whilst ensuring it maintains shareholder value for those projects that fall outside of this core business activity.

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.

IMX owns 51% of the Cairn Hill mine, 55 kilometres south-east of Coober Pedy, South Australia close to the Darwin - Adelaide railway. Phase 1 is a unique magnetite Fe – Cu – Au DSO project. 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 the Sichuan Taifeng Group. A Phase 2 resource has been announced and the joint venture project group is currently accelerating the development program to commence production of a saleable $\pm$ 60% Fe intermediate concentrate.

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 including Snaefell. 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 is currently undertaking extensive field work to understand the potential of this area.

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 37.0% of Continental Nickel and retains a 25% interest in the Nachingwea Nickel - Copper project through a joint venture company structure. IMX is currently participating in the JV funding requirements in order to maintain its 25% JV interest.

IMX owns 26.6% of Uranex (ASX:UNX), a spin-off from IMX, which is a dedicated uranium company with assets in Australia and Tanzania. IMX has announced its intention to distribute the shares it owns in Uranex to its shareholders as an in specie distribution.

Visit: www.imxresources.com.au

Press Release

Continental Nickel Confirms High Recoveries to High Grade Concentrates

TORONTO, ONTARIO (September 15, 2011) - Continental Nickel Limited (TSX VENTURE:CNI) ("CNI" or the "Company") is pleased to announce the production of high grade concentrates from the initial "sighter" flotation tests on composites from the various ore zones at the Ntaka Hill Nickel Project ("Ntaka Hill"). Highlights of the initial tests include concentrates containing between 16.7% Ni and 18.6% Ni at between 84.2% and 90.2% recovery from Sleeping Giant zone composites, 17.2% Ni at 88.1% recovery from M zone composite and 15.0% Ni at 88.1% recovery from H zone composite. The flotation tests were carried out by G & T Metallurgical Services Ltd, part of the ALS Group of companies, quality accredited under ISO 9000:2008.

For detailed results see Table 2.

Ntaka Hill is part of the 75:25 Nachingwea exploration joint venture property in southern Tanzania with IMX Resources Limited of Australia. Ntaka Hill has currently identified resources as outlined below in Table 1.

Table 1 – Ntaka Hill Resources Summary

Resource Category	Tonnes (000's)	% Ni	% Cu	Contained Ni (tonnes)
Measured & Indicated	4,981	1.22	0.24	60,900
Inferred	17,260	0.76	0.17	131,000

Note: Resources calculated at a US\$17/tonne Net Smelter Return ("NSR") cut-off. See CNI press release April 15, 2011.

Low Contaminant Levels

All concentrates have exhibited low contaminant levels and, especially significant for nickel concentrates, magnesium oxide (MgO) graded between 1.5% MgO and 3.9% MgO, which is low by global standards.

Also very significant, analysis of other contaminant elements, such as arsenic (As), antimony (Sb), chromium (Cr), lead (Pb) and zinc (Zn), returned low levels. For detailed results see Table 3.

Conventional Processing Technique

The flotation tests were at a moderately coarse grind size of 106 μm (P_{80}) using only a simple reagent scheme of collector and frother, and three stages of cleaning. This represents a very

conventional processing technique for the production of nickel concentrate from nickel sulphide ore.

Comminution Testing

The results for the Bond Rod Mill Work Index tests on three ore zone composites ranged between 4.7 to 8.9 kWh/t with an average of 6.7 kWh/t (not all composites had sufficient sample available). The results for the Bond Ball Mill Work Index tests on all ore zone composites range between 12.2 to 15.9 kWh/t with an average of 14.8 kWh/t.

These work index results are typical for hard rock sulphide ores and as such confirm the suitability of a conventional comminution circuit with typical operating costs.

Mr. David Massola, President and CEO, commented *“I am extremely pleased with the results of these metallurgical tests which confirm that concentrate produced from this project will be highly marketable and compare favorably to the best nickel sulphide mines in the world. In addition, indications are that high nickel recoveries are achievable using conventional processing technology which greatly reduces technical and start-up risk. The high grade concentrate will also further reduce our low expected transport costs to the Port of Mtwara which is less than 300km from the project site with only around 95km of the route on unsealed road.”*

Sample Selection

The samples were selected in co-operation with Ms Patricia Tirschmann, CNI’s VP Exploration, to represent the range of mineralisation exhibited in the various ore zones and to spatially intersect the larger areas of the ore zones. Samples were not selected from all ore zones with L and NAD13 zones excluded due to their geological similarity with other ore zones and their relatively small size.

Next Steps

Following the completion of detailed quantitative mineralogy examination utilising QEMSCAN and optical methods, further flotation test work will address improving both concentrate grade and recovery through optimisation of grind size and reagent additions. The test work program will also be used expand the understanding the geo-metallurgical domains within the various ore zones and enable development of grade recovery relationships that will allow various optimisation studies to be undertaken for the project.

Fresh core from additional metallurgical drilling planned in 2011 will allow an extensive metallurgical test work program to be undertaken which will provide definitive performance and engineering design data for the project. It is intended that this test work program will be undertaken in the first half of 2012.

Qualified Persons

The quality control, technical information and all aspects of the metallurgical test work program are supervised by Mr Peter Munro FAusIMM, Senior Principal Consulting Engineer with Mineralurgy Pty Ltd an independent consultant to CNI. The information in this release was prepared under the direction of Mr Munro. Mr Munro, a Fellow within the Australasian Institute of Mining and Metallurgy, is a qualified person as defined by National Instrument 43-101 and consents to the inclusion of the data in the form and context in which it appears.

About Continental Nickel Limited

Continental is focused on the exploration, discovery and development of nickel sulphide deposits in geologically prospective, but under-explored regions globally. The Company's key asset is its 75% interest in its Nachingwea property in Tanzania, where Mineral Resources (Measured and Indicated) have been estimated at 60,900 tonnes of contained nickel, and an additional 131,000 tonnes of contained nickel in Inferred Mineral Resources (CNI press release April 15, 2011). The project is a 75:25 exploration joint venture between the Company and IMX Resources Limited.

The Company also has an option to joint venture on the St. Stephen project in New Brunswick, Canada where the 2010 diamond drill program discovered new Ni-Cu sulphide zones.

As at the date of this release, the Company has 42,713,508 common shares issued and outstanding (51,031,914 on a fully-diluted basis) and trades on the TSX Venture Exchange under the symbol CNI. The Company remains well funded with over C\$8.7 million in the treasury as at March 31, 2011.

On behalf of

Continental Nickel Limited

"Dave Massola"

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Table 2 – Detailed Flotation Test Results

Ore Zone	Resources (1)				Composite	Head Grade		Concentrate Grade			Recovery	
	Category	Tonnes (000)	Grade % Ni	Grade % Cu		%Ni	%Cu	%Ni	%Cu	%MgO	Ni	Cu
H	M + I Inferred	1,003 620	1.303 0.98	0.187 0.14	H	0.77	0.11	15.0	2.26	3.90	88.1	93.1
M	M + I	526	1.673	0.350	M	1.49	0.49	17.2	6.10	2.31	88.1	95.5
J	M + I	1,026	1.444	0.224	J (2)	1.46	0.25	8.6	1.58	1.64	83.9	89.4
G	Indicated Inferred	1,990 1,240	0.652 0.53	0.175 0.16	G (2)	0.45	0.15	3.2	1.13	2.40	82.3	87.4
Sleeping Giant	Inferred	15,400	0.77	0.17	SG1 (3)	0.70	0.13	16.7	3.58	2.46	84.2	94.7
					SG2 (3)	0.68	0.15	17.7	4.33	2.10	90.0	97.6
					SG3 (3)	1.51	0.33	18.6	4.36	1.51	90.2	97.4
L	M + I	202	2.591	0.487	Not Tested							
NAD013	M + I	234	2.562	0.567	Not Tested							

Notes:

1. Resources calculated at a US\$17/tonne Net Smelter Return (“NSR”) cut-off. See CNI press release April 15, 2011.
2. J and G Zone flotation performance, in particular concentrate grade, was predicted to be slightly retarded due to the higher pyrrhotite levels in the mineralisation in these ore zones (previous work by Xstrata Process Support, June 2009 and February 2011, indicated Po:Pn ratios of 4.1 for J zone and 11.1 for G zone, compared with a range of between 0.25 to 2.1 for the other ore zones). The concentrate may therefore be diluted by high levels of pyrrhotite as the test scheme included no specific additions, such as lime, to depress pyrrhotite flotation.
3. SG 1, SG 2 and SG 3 composites represent three different mineralisation types from the Sleeping Giant ore zone being disseminated, stringer and bleb and semi massive sulphide.

Table 3 – Minor Element Assays

Composite	Concentrate Minor Element Assay																
	Ag g/t	As g/t	Ba g/t	Bi g/t	Cd g/t	Co g/t	Cr g/t	Li g/t	Mn g/t	Mo g/t	Pb g/t	Sb g/t	Sr g/t	Ti %	Tl g/t	V g/t	Zn g/t
H	2	<10	27	<20	<10	2906	89	<20	<10	<20	214	<20	<20	0.007	<20	40	230
M	18	<10	17	<20	<10	3207	98	<20	<10	<20	57	<20	<20	0.005	<20	38	62
J	2	<10	18	<20	<10	2666	92	<20	<10	<20	53	<20	<20	0.004	<20	54	45
G	4	<10	26	<20	<10	1801	20	<20	<10	<20	77	<20	<20	0.002	<20	53	21
SG1 (1)	6	<10	57	<20	<10	3807	85	<20	<10	<20	135	<20	<20	0.005	<20	39	59
SG2 (1)	12	<10	20	<20	<10	3342	77	<20	<10	<20	43	<20	<20	0.009	<20	38	74
SG3 (1)	4	<10	15	<20	<10	3179	79	<20	<10	<20	300	<20	<20	0.005	<20	37	200

Notes:

1. SG 1, SG 2 and SG 3 composites represent three different mineralisation types from the Sleeping Giant ore zone being disseminated, stringer and bleb and semi massive sulphide.