1 March 2012

SNAEFELL RESOURCE INCREASES BY 184%

Highlights

- **Snaefell Inferred Mineral Resource increased by 369Mt to 569Mt at 27.1% Fe using an 18% Fe cut-off grade[1], an increase of 184%;**
- **Mineralisation over a 2.7km strike length remains open at depth and along strike;**
- **Scoping and pit optimisation studies underway;**
- **Coarse high grade magnetite product suitable for direct feed to sintering.**

IMX Resources Limited (ASX: IXR) ("IMX" or "the Company") announces a substantially increased mineral resource estimate of 569Mt at 27.1% Fe using an 18% Fe cut-off grade (Table 1; Figure 1) at its wholly-owned Snaefell iron ore project in South Australia.

The Snaefell iron ore project is located 12 km west of the Cairn Hill Iron Ore JV Mining Operation, located 55 km south of Coober Pedy.

This new estimate represents a 184% increase on the maiden resource of 200Mt at 27.65% Fe (using an 18% Fe cut-off grade) reported on 12 October 2011. The entire upgraded resource averages over 27% Fe, which demonstrates the consistency of the magnetite mineralisation.

Managing Director Neil Meadows said, *"Snaefell has exceeded our expectations and is a significant and growing asset in our portfolio of iron ore projects. Its location, in close proximity to the Cairn Hill mine and existing transport infrastructure, makes Snaefell a key component of IMX's South Australian magnetite growth strategy. The coarse grind size at which magnetite separation can be achieved is of particular significance to the value of this resource. We expect to commence the next phase of metallurgical drilling in the next quarter and to complete scoping and pit optimisation studies during 2012."*

Table 1. Snaefell Mineral Resource JORC (2004) Classified.

		Inferred Mineral Resource					
Type	**Cut Off Grade**	**Tonnes Mt**	**Fe %**	**Al2O3 %**	**P %**	**SiO2 %**	**S %**
Oxide		12	27.8	7.4	0.132	38.3	0.07
Transitional	18.0%	138	26.8	7.7	0.112	44.7	0.03
Fresh		418	27.2	6.5	0.139	46.2	0.02
Total	**18.0%**	**569**	**27.1**	**6.8**	**0.133**	**45.7**	**0.03**

** Note: Totals may differ due to rounding errors.*

The Snaefell magnetite iron ore mineralisation extends for 2.7km, with the mineralisation remaining open along strike and at depth (Figure 2). The actual size of the resource is only limited by the extent to which drilling has been completed to date.

The upgraded resource block model will now be optimised as part of a scoping study which is expected to be completed in 2012. Diamond core drill planning is also underway to test the depth extent of the Snaefell mineralisation, and to obtain further core samples for ongoing metallurgical testwork.

[1] Estimated according to the guidelines of the JORC Code (2004)

Resource
The Snaefell Mineral Resource estimate has been classified as an Inferred Mineral Resource based on the guidelines of the JORC Code (2004) and reported above an 18% Fe cut-off grade for Fe, SiO_2, Al_2O_3, P and S. The mineralisation is low in phosphorus (P) and sulphur (S).

The resource was estimated by Runge Limited based on geological interpretations provided by the Company. Drillhole information was compiled from 67 drill holes for a total of 15,704 m comprising 63 reverse circulation (RC) and 4 diamond drill holes completed to November 2011 (Figure 1).

The resource estimate covers a 2.7 km strike length and is interpreted to a 370 m vertical depth. The initial maiden resource was extended along strike to the west 310 m and 1,310 m to the north east. Holes were drilled up to 370 m deep to extend the resource at depth.

The resource was estimated using ordinary kriging where the search was orientated in the plane of the mineralisation. A block size of 50 by 25 by 10 metres (X, Y, Z) was selected and subcells were used to accurately model the mineralisation. The dimensions of the search ellipse were based on the ranges of the Fe variogram. Bulk densities of 2.3 t/m^3, 2.94 t/m^3 and 3.38 t/m^3 were used for oxide, transitional and fresh magnetite gneiss.

Metallurgy
Results of metallurgical testwork to date are extremely positive. Davis Tube Recovery (DTR) tests produced magnetic concentrates of 65% Fe at a coarse grind size of 200 μm with very low levels of impurities.

This coarse, high grade concentrate will be suitable as direct feed to ironmaking sinter plants negating the need to pelletise this material.

Testwork completed to date has also produced high mass yields to a first stage dry magnetic concentrate at coarse crushing sizes. These results indicate the potential to exploit this resource utilising a smaller than typical processing facility requiring significantly lower overall water and power inputs relative to other existing magnetite processing flowsheets.

Metallurgical evaluation is ongoing to optimise magnetite and hematite recovery with additional metallurgical diamond core drilling planned for 2012 to cover the expanded resource area.

Snaefell is located within EL4649 which is part of IMX's 100% owned Mt Woods Iron Ore Project in South Australia.

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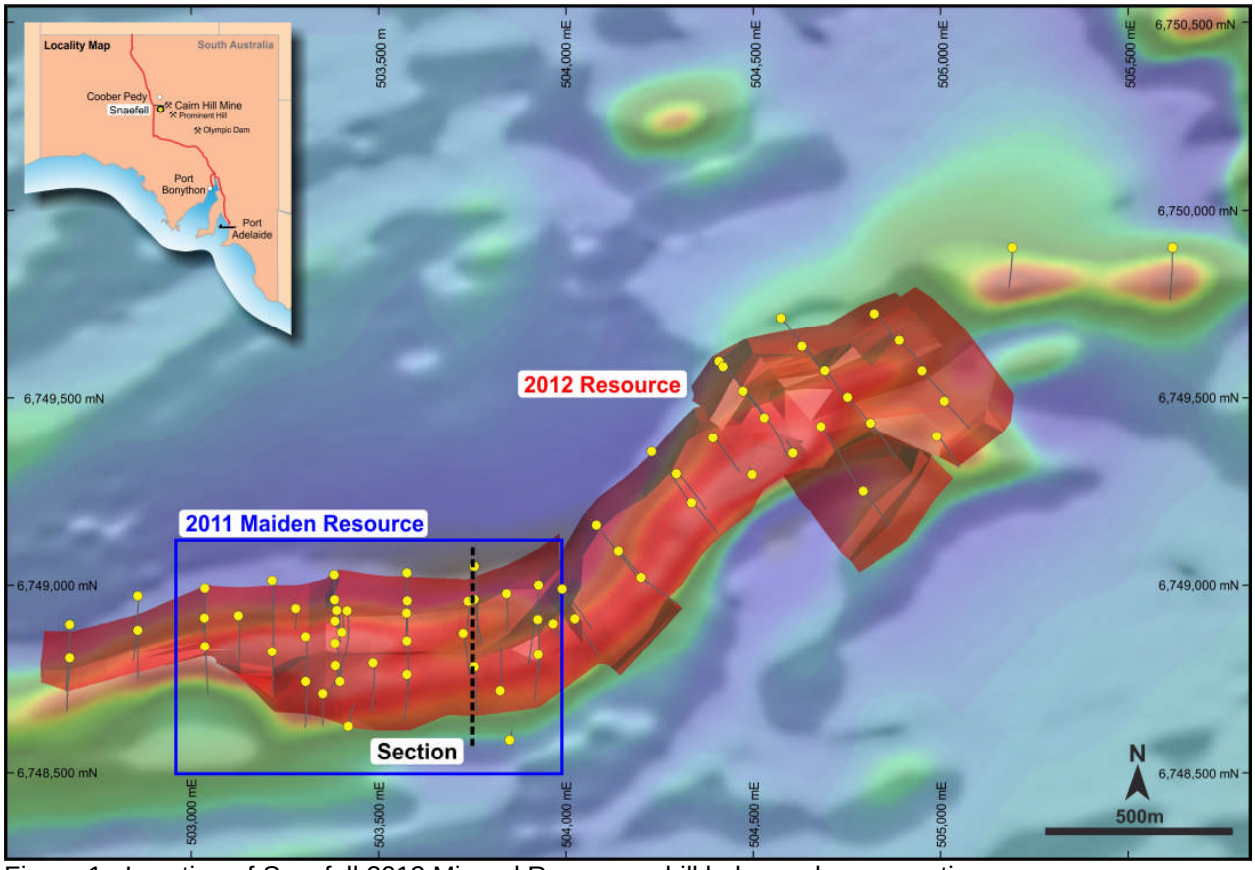

Figure 1. Location of Snaefell 2012 Mineral Resource, drill holes and cross section.

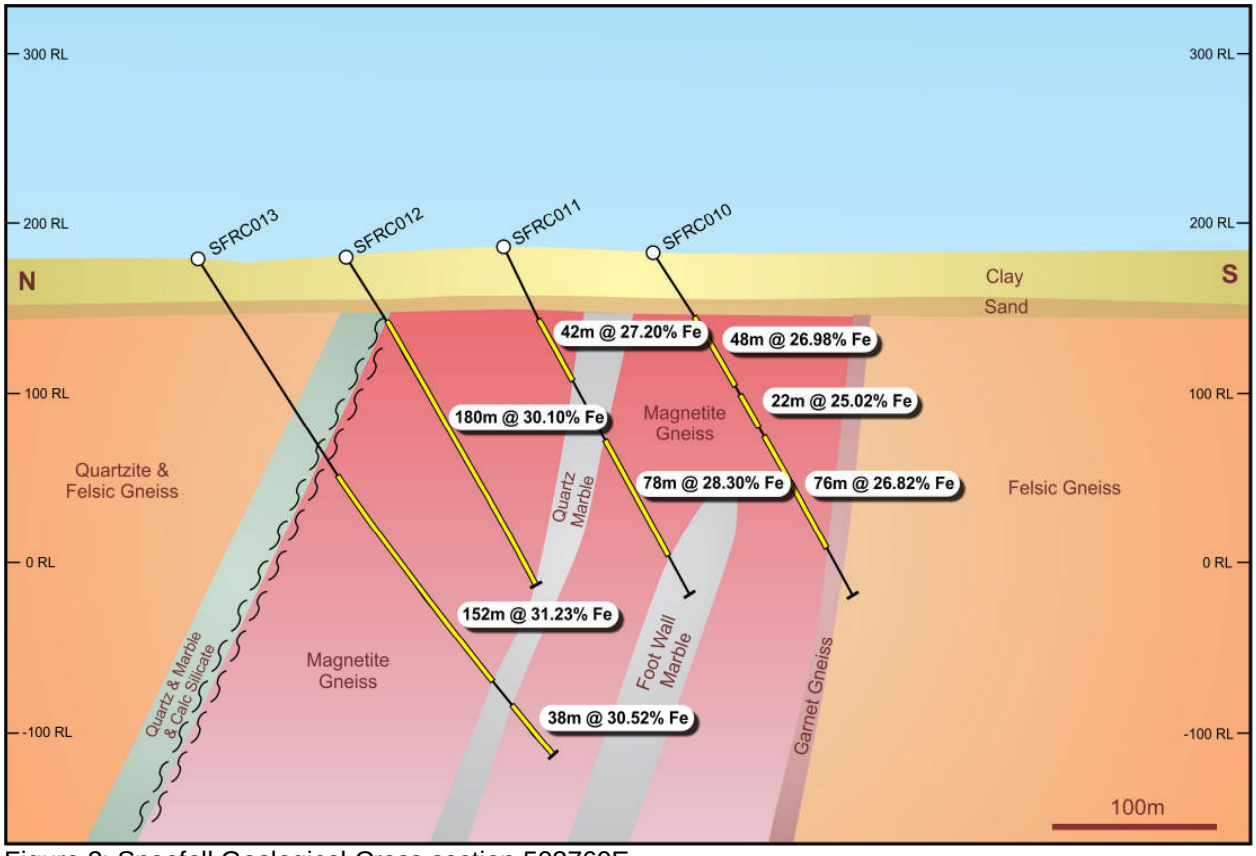

Figure 2: Snaefell Geological Cross section 503760E

Competent Person

Information in this public report that relates to the estimation of Mineral Resources is based on information compiled by Mrs Vanessa O'Toole, supervised by Ms Bianca Manzi and reviewed by Mr Trevor Stevenson. Ms Manzi is a Member of the Australian Institute of Geoscientists, and a full-time employee of IMX Resources. Mr Stevenson is a Fellow of the Australasian Institute of Mining and Metallurgy, a member of MICA and a CP, and he is a full time employee of Runge Limited. Mr Stevenson and Ms Manzi each have 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 (the JORC Code). Both Mr Stevenson and Ms Manzi consent 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).

IMX is an active diversified mining company with an iron ore mining project in South Australia, and exploration projects in South Australia, Tasmania, as well as Tanzania and Mozambique in East Africa, focusing on iron-ore, nickel, copper and gold.

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 completing a study into its development.

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 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 25.5% of Uranex (ASX:UNX), a spin-off from IMX, which is a dedicated uranium company with assets in Australia and Tanzania.

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