

16 April 2012

SNAEFELL DRILLING CAMPAIGN COMMENCES

Highlights

- **5,000m Diamond core metallurgical drilling campaign now underway**
- **Scoping and Optimisation Studies expected this quarter**
- **Tests confirm high recoveries & coarse grind sizes**

IMX Resources Limited (ASX: IXR) ('IMX') is pleased to announce that a 5,000m diamond core metallurgical drilling programme is now underway at the Snaefell magnetite deposit, within the 100% IMX-owned Mt Woods Magnetite project. The Snaefell magnetite deposit is located 12 km west of the Cairn Hill JV Mining Operation, located 55km south of Coober Pedy.

The Snaefell magnetite deposit has an inferred mineral resource of 569Mt @ 27.1% Fe (using 18% Fe cut-off: ASX: 1 March 2012). The metallurgical drilling program at Snaefell is designed to optimize magnetite and hematite recoveries and define the processing and mining parameters required to complete scoping and mine optimisation studies, which are expected to commence before the end of April 2012.

Metallurgical testwork results to date have been positive with Davis Tube Recovery (DTR) tests producing magnetic concentrates of 65% Fe at a coarse grind size of 200µm with very low levels of impurities. The coarse grind size means significantly lower energy input costs in processing the concentrates for sale to end users.

High-grade magnetite concentrates are in high demand from Chinese steel mills and attract premium prices due to their low impurity levels and, in this case, suitability as direct feed to sinter plants not requiring pelletisation.

High mass yields have also been produced to a first stage dry magnetic concentrate at coarse crushing sizes. These results indicate the potential to exploit this resource utilising a smaller than usual processing facility, requiring significantly lower water and power inputs relative to other existing magnetite processing flowsheets.



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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 an ASX listed company headquartered in Perth, Western Australia.

IMX is a mining and mineral exploration company with an iron ore mining operation in South Australia, and a portfolio of advanced exploration projects in Australia and Africa, focusing on iron ore, nickel, copper and gold.

IMX operates and owns 51% of the Cairn Hill Iron Ore Mining Operation, located 55 kilometers south-east of Coober Pedy in South Australia, where it produces a premium coarse-grained magnetite-copper-gold DSO product with a clean saleable Cu / Au concentrate, at a rate of 1.7Mtpa.

IMX is actively exploring the Mt Woods Magnetite Project on the highly prospective Mt Woods Inlier in South Australia. IMX owns 100% of the iron ore rights of the Mt Woods tenement package, where it currently has a JORC Inferred Resource of 569Mt @ 27% Fe at the Snaefell Magnetite Deposit and a Global Exploration Target of between 200-380Mt @ 25-35% Fe elsewhere in the project.

IMX has also entered into a joint venture with OZ Minerals (the Mt Woods Copper-Gold JV Project) to explore the Mt Woods tenements for copper and gold. OZ Minerals is spending a minimum of \$20M for a 51% interest in the non-iron rights, with IMX retaining a 49% interest in the non-iron rights.

In Tanzania, IMX holds a 53% beneficial interest in the Nachingwea Nickel – Copper JV Project in southern Tanzania, which is managed and operated by 75% JV partner, Continental Nickel Limited (TSXV:CNI). IMX has a 37.2% direct equity investment in CNI and a 25% interest in the Nachingwea Nickel - Copper JV project.

IMX owns 25.5% of Uranex (ASX:UNX), which is a dedicated uranium exploration company, which is developing the Mkuju Uranium project in southern Tanzania

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