IMX Resources and Continental Nickel

Announce Business Combination

17 May 2012

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- All statements in this presentation, other than statements of historical facts, that address future production, reserve or resource potential, exploration drilling, exploitation activities and events or developments that the Company or CNI expects to occur, are forward-looking statements. Although the Company and CNI believe the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, capital and operating costs, continued availability of capital and financing and general economic, market or business conditions. Information in this presentation are the current best estimates, but are subject to change.
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- The potential quantities and grades of potential or target mineralisation outlined in the presentation are conceptual in nature and there has been insufficient exploration to define mineral resources and it is uncertain if further exploration will result in the determination of mineral resources.

Competent/Qualified Persons Consents

- Information relating to Australian exploration results and Cairn Hill resource estimate is based on data compiled by Ms Bianca Manzi who is a Member of the Australian Institute of Geoscientists, and who is a full-time employee of the Company. Ms 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 (the "JORC Code"). Ms Manzi consents to the inclusion of the data in the form and context in which it appears.
- Information that relates to the estimation of Australian Mineral Resources at Cairn Hill Phase 2 and Snaefell is based on information compiled by Mr Kevin Lowe and Mrs Vanessa O'Toole and reviewed by Mr Trevor Stevenson and supervised by Ms Manzi. Mr Lowe is a Member of the Australasian Institute of Mining and Metallurgy, and Mr Stevenson is a Fellow of the Australasian Institute of Mining and Metallurgy, a member of MICA. Both Mr Lowe and Mr Stevenson are full time employee of Runge Limited and have sufficient relevant experience to qualify as Competent Persons under the JORC Code. Mr Lowe and Mr Stevenson consent to the inclusion of the data in the form and context in which it appears.
- Information relating to Nachingwea quality control and technical information of exploration results is based on data collected under the supervision of, or compiled by Patricia Tirschmann, P. Geo., who holds the position of Vice President, Exploration and is a full time employee of Continental Nickel Limited. Ms Tirschmann is a registered member of the Association of Professional Geoscientists of Ontario and has sufficient relevant experience to qualify as a Competent Person under the JORC Code and qualify as a Qualifed Person under National Instrument 43-101 ("NI 43-101"). Ms. Tirschmann consents to the inclusion of the data in the form and context in which it appears.
- The accuracy of the information relating to the Nachingwea mineral resource estimate and the preliminary economic assessment, both prepared by Roscoe Postle Associates Inc. of Toronto, Ontario and publicly filed on SEDAR, has been reviewed and confirmed by Patricia Tirschmann (VP Exploration, CNI) and Stewart Watkins (VP Projects, CNI). Ms. Tirschmann is a registered member of the Association of Professional Geoscientists of Ontario and Mr. Watkins is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr. Watkins has sufficient relevant experience to qualify as a Competent Person under the JORC Code.

A Compelling Combination

- All scrip business combination of IMX Resources Limited (**IMX**) and Continental Nickel Limited (**CNI**), with IMX to be the surviving entity:
  - Consolidates ownership of the potentially significant Nachingwea Nickel Project in one company, simplifying the corporate and project structure
  - Combined management to strengthen expertise
  - Results in a larger, and financially stronger, dual-listed (ASX-TSX) company with significantly greater funding and development capabilities
  - Well placed to advance Nachingwea through to production for the benefit of both companies' shareholders
- Transaction friendly and supported:
  - To be implemented via a CNI Plan of Arrangement with IMX to acquire all of the securities of CNI that it does not already own
  - Transaction unanimously recommended by the Board of Directors of CNI (other than those who recused themselves)
  - Support of major CNI shareholders secured under voting lock-up agreements, representing 66.8% of CNI shares (including IMX's holding)

IMX Resources

CONTINENTAL Nickel Limited

Transaction Summary

Terms	• **Exchange ratio:** 3.7 IMX shares and 0.5 of an IMX Warrant for each CNI share • **IMX Warrants:** – Exercise price: A$0.60 or C$0.62 (at the holder's discretion) – 3 year term – To be listed • CNI options to be converted into equivalent options of IMX based on the effective exchange ratio
TSX Listing	• IMX to list its ordinary shares and warrants on the TSX upon completion of the transaction, while maintaining its ASX listing
Board and Management	• **Board**: – Chairman – John Nitschke (existing Chairman of IMX and CNI) • **Management**: – Neil Meadows (Managing Director of IMX) to be Managing Director of combined company – IMX committed to retaining key senior management of CNI, including Dave Massola (President and CEO of CNI)

Transaction Summary (Cont'd)

Recommended Transaction	• CNI directors unanimously recommend the business combination (with Messrs Nitschke and Haggarty recusing themselves), subject to no Superior Proposal emerging and other arrangement conditions
Shareholder Support	• Voting lock-up agreements with 29.8% of independent shareholders, including Macquarie, Geologic and Galena • Subject to the Arrangement Agreement not being terminated prior to the CNI shareholder vote
Key Conditions	• 66⅔% CNI shareholder approval and majority of minority (i.e. excluding any CNI shares held by certain interested parties, including IMX) • Certain other approvals, including regulatory and court approvals
Termination and Deal Protection	• Reciprocal termination fees and expense reimbursement, customary deal protection

IMX Resources CONTINENTAL Nickel Limited

Profile of the Combined Company

- **Increased size and profile:**
  - Market capitalisation expected to be approximately $100 million
  - Dual ASX and TSX listing
  - Potential for inclusion in recognised indices
  - Clean register with no individual shareholding greater than 15%

- **Attractive asset base and growth pipeline:**
  - 100% of the potentially significant Nachingwea Nickel Project in Tanzania
  - 51% of the operating Cairn Hill iron ore mine in South Australia
  - 100% of the emerging Mt Woods Magnetite Project in South Australia
  - Complementary and attractive exploration projects in Tanzania, Australia and Canada

- **Improved funding and development capabilities:**
  - Cash balance in excess of $15 million together with ongoing operating cash flow from Cairn Hill to fund other projects
  - 100% ownership of Nachingwea, significantly enhancing debt funding capabilities and streamlining management and funding
  - Greater ability to raise equity funding in the context of the above
  - Strengthened management team

Transaction Benefits

- The attractive profile of the combined company is expected to provide significant benefits for both companies' shareholders. The following additional benefits are provided to the respective shareholders:

Benefits to CNI Shareholders	✓ Immediate and attractive offer • Implied price of $C1.03 per CNI share[(1)] • This represents a 51% premium to the last closing price of CNI and a 45% premium to the 20-day vwap of CNI[(1)] ✓ Continued meaningful participation in the Nachingwea Nickel Project, to be 100% owned by IMX and with greater ability to fund the project from internal and external sources ✓ Significantly increases trading liquidity ✓ Exposure to an emerging world class iron ore project in Mount Woods, with 569Mt @ 27.1% Fe[(2)] of magnetite and a conceptual target in excess of 1Bt[(3)]
Benefits to IMX Shareholders	✓ Provides control and 100% ownership of Nachingwea, streamlining management and funding ✓ Results in an efficient structure that is easier for investors to understand and removes any holding company discount associated with IMX's shareholding in CNI ✓ Provides an enhanced market presence with a dual listing and greater trading liquidity to attract investors ✓ Strengthens management team with the addition of CNI personnel

1) Assumes: last closing price for IMX on 16 May 2012 of A$0.270 per IMX share. Black-Scholes valuation of the IMX warrant of A$0.057 per warrant. CAD:AUD exchange rate of 1.000. Last closing price for Continental on 16 May 2012 of C$0.68 per Continental share. 20-day volume weighted average price of C$0.71 per Continental share
2) JORC (2004) classified Inferred Mineral Resource estimated with 18% Fe cut - off
3) Exploration 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 to define a Mineral Resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource. This figure includes the Note 2 resource.

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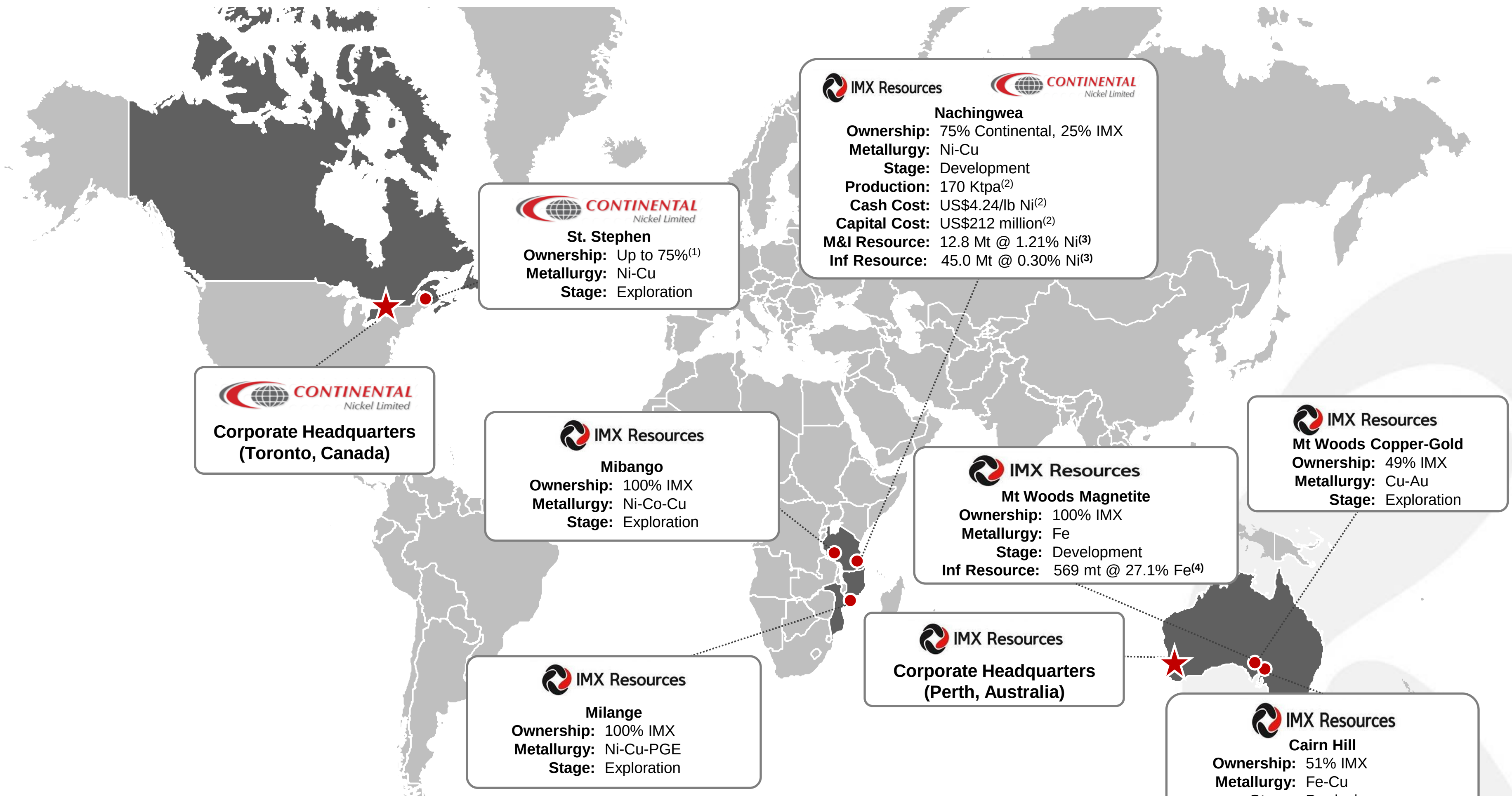
Diversified Global Asset Base



CONTINENTAL Nickel Limited
Corporate Headquarters (Toronto, Canada)

CONTINENTAL Nickel Limited
St. Stephen
Ownership: Up to 75%(1)
Metallurgy: Ni-Cu
Stage: Exploration

IMX Resources / **CONTINENTAL Nickel Limited**
Nachingwea
Ownership: 75% Continental, 25% IMX
Metallurgy: Ni-Cu
Stage: Development
Production: 170 Ktpa(2)
Cash Cost: US$4.24/lb Ni(2)
Capital Cost: US$212 million(2)
M&I Resource: 12.8 Mt @ 1.21% Ni(3)
Inf Resource: 45.0 Mt @ 0.30% Ni(3)

IMX Resources
Mibango
Ownership: 100% IMX
Metallurgy: Ni-Co-Cu
Stage: Exploration

IMX Resources
Milange
Ownership: 100% IMX
Metallurgy: Ni-Cu-PGE
Stage: Exploration

IMX Resources
Mt Woods Magnetite
Ownership: 100% IMX
Metallurgy: Fe
Stage: Development
Inf Resource: 569 mt @ 27.1% Fe(4)

IMX Resources
Mt Woods Copper-Gold
Ownership: 49% IMX
Metallurgy: Cu-Au
Stage: Exploration

IMX Resources
Corporate Headquarters (Perth, Australia)

IMX Resources
Cairn Hill
Ownership: 51% IMX
Metallurgy: Fe-Cu
Stage: Producing
Production: 1.7 mtpa
Cash Cost: $80/t (FOB)
Ind Resource: 10.0 mt @ 51.9% Fe(5)
Inf Resource: 0.8 mt @ 48.3% Fe(5)

1) Option to joint venture with Abitex Resources Inc. whereby Continental could earn up to 75% interest
2) Source: As per October 28, 2011 Technical Report on the Ntaka Hill Nickel Project, Lindi and Mtwara Regions, Tanzania. Represents Optimized Sensitivity Case
3) Source: As per April 13, 2012 Technical Report on the Ntaka Hill Nickel Project, Lindi and Mtwara Regions, Tanzania. Resource cut off of 0.20% Nickel
4) Source: As per ASX: March 1, 2012 Announcement. Resource cut off 18% Fe
5) Source: As per ASX : June 27, 2007 Announcement. Resource cut off 40% Fe. equivalent. See Slide 21

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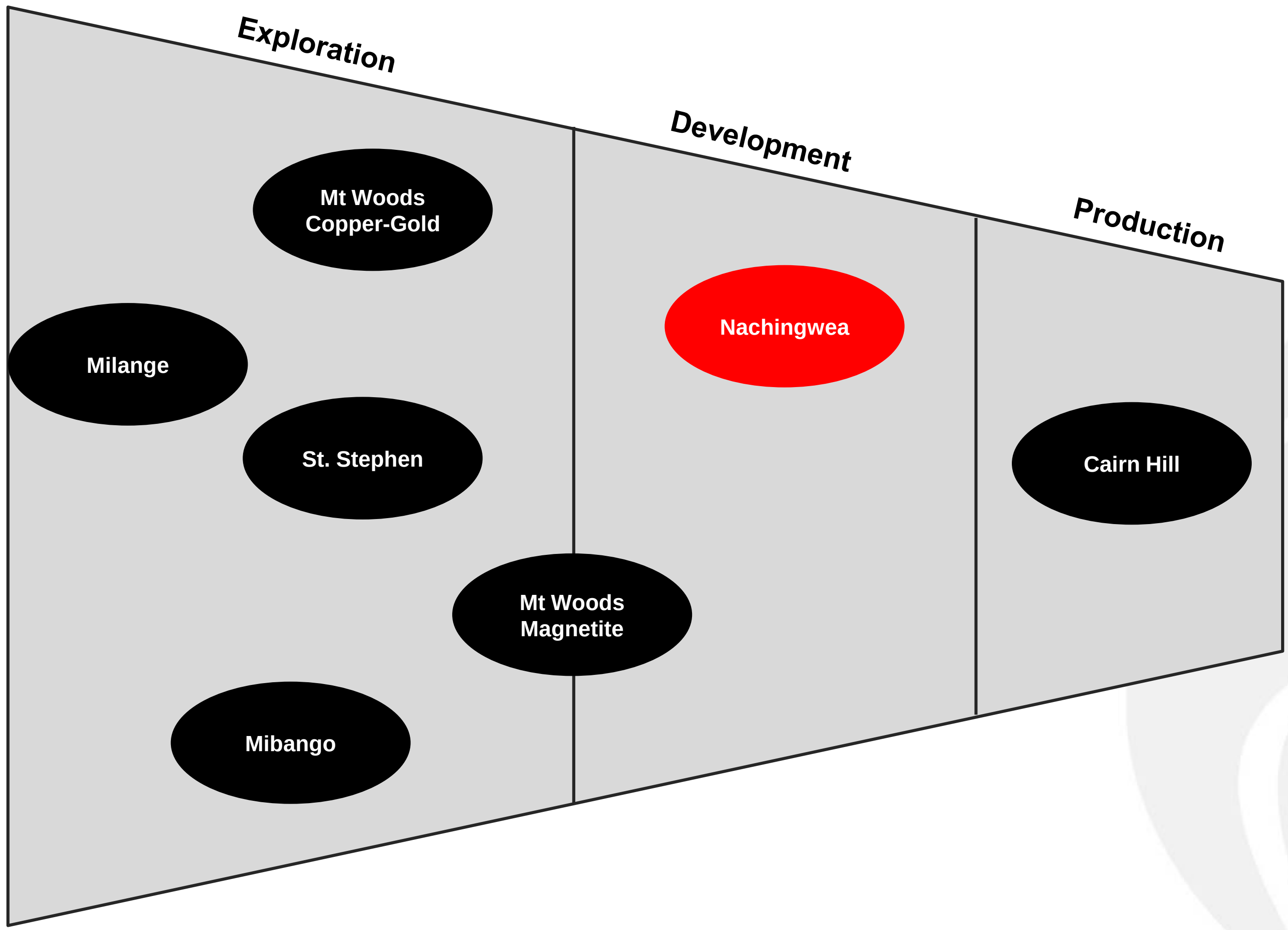
Highly Complimentary Project Pipeline



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Nachingwea – A Significant Emerging Nickel Project

- 100% IMX beneficial ownership (post-closing)
- Revised Scoping Study underway
- Excellent metallurgy
- Close to road, power and port infrastructure
- Tanzanian jurisdiction
- Program to bring into production by second half of 2015 at 10-15 kt/a increasing to 20-25 kt/a
- 7,200km² of ground under Licence or Application
- Substantial exploration upside

PEA Statistics	Base Case Open Pit + Underground	Base Case Open Pit	Optimized Sensitivity Case
Total Material Mined (Mt)	99.5	432.8	432.8
Stripping Ratio	3.1	17.2	10.8
Material Processed (Mt)	24.5	23.8	36.7
Average Nickel Grade (% Ni)	0.77	0.82	0.65
Average Recovery (%)	87.1	87.3	86.0
Cash Operating Cost (US$/lb Ni contained, net of by-product credits)	$4.51	$4.24	$3.88
Pre-Production Capital (US$ mm)	$212	$217	$217
Expansion Capital (US$ mm)	$264	$297	$385
NPV (US$ mm, 8% Discount)	191	207	302
IRR (%)	15.9	21.6	23.3

Source: October 28, 2011 Technical Report on the Ntaka Hill Nickel Project, Lindi and Mtwara Regions, Tanzania. Metal Prices: Nickel US$10.40/lb; Copper US$3.40/lb set by MCS consulting using APEX forecasts published in Metals Bulletin

Location

Total Resource (1)	% Ni	% Cu	Ore Tonnes (M)	Contained Nickel Tonnes
Measured	1.71	0.29	1.66	28,400
Indicated	1.14	0.25	11.12	126,300
Inferred	0.30	0.07	45.04	135,000

1) At cut-off of 0.20% Nickel

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Cairn Hill – Producing and Profitable

Overview

Cairn Hill JV - IMX 51%, Taifeng 49%

- Probable reserve: 6.9Mt @ 51.2% Fe, 0.43% Cu[1]
- Mining commenced July 2010
- 3.5 years remaining mine life
- Premium coarse-grained magnetite-copper DSO product
- Established road, rail and port infrastructure
- Operating at design production capacity – 1.7 Mtpa
  - 2 x 75,000 tonne shipments per month
- Operating cash flow positive
- Cash costs $80/t FOB
- Forecast EBIT $40 - $45M p.a.*

  ** 100% JV return. Based on non-GAAP financial estimate*
- Based on April 2012 Index prices of US$150/t 62% iron, $8,225/t LME Cu

Site

Sales and Distribution

- Targeting end users with copper/ gold recovery ability
- 50% LOM contract signed with Vingo Resources
  - 900,000 tonnes p.a., supplying 2 steel plants in China
  - Copper recovery circuits
  - 30 Day rolling average Platts 62% IODEX basis
  - Similar price to Taifeng LOM agreement
- Advanced negotiations for remaining 50% of production
- Trial shipments have been sold to several Chinese customers, including: Shanxi Minmetals, China Minmetals and Shandong Wanbao Trading Co.

1) Source: As per ASX: December 22, 2008 Announcement

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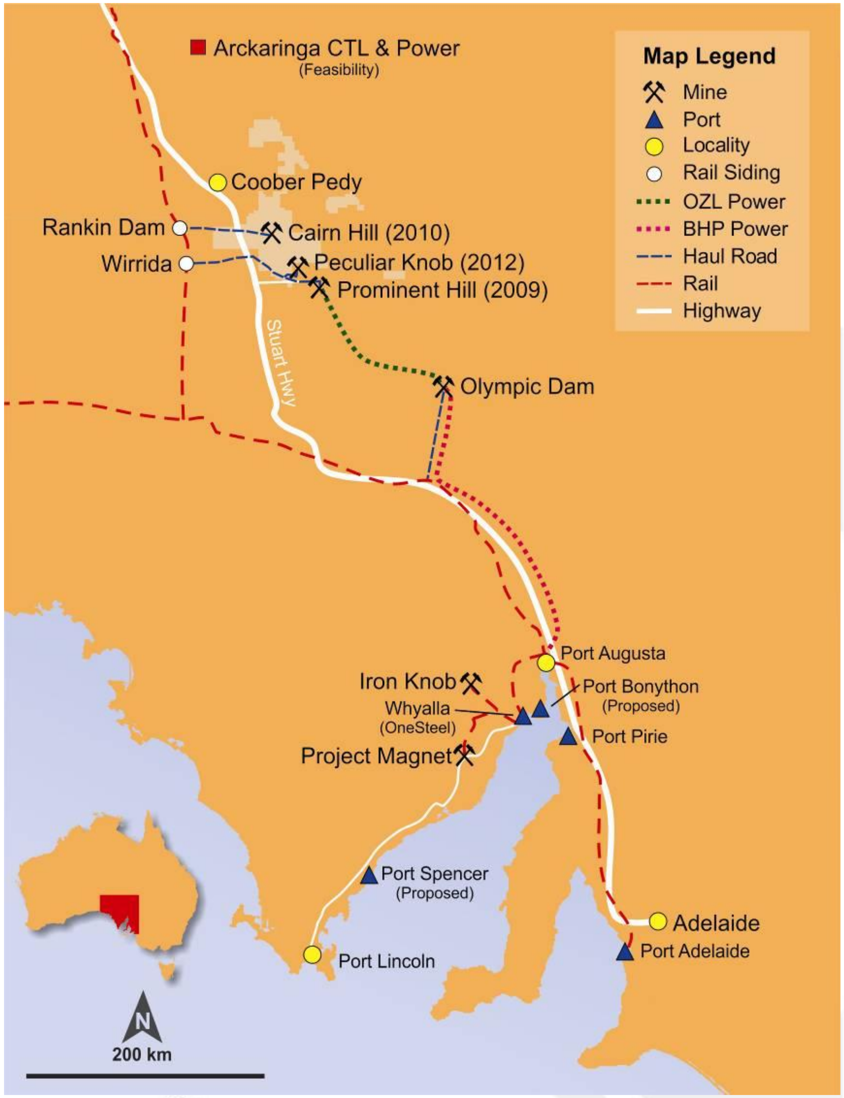
Mt Woods Magnetite – Significant Growth Potential

Ownership: 100% IMX

- 65% Fe concentrates @ 200 microns with low levels of impurities
- Near existing infrastructure
- South Australian jurisdiction
- Coarse grained ore has the potential to yield:
  - Reduced energy and water inputs
  - Reduced capital and operating costs
  - Sinter plant feed / premium product
- 5,000m metallurgical drilling campaign currently underway
- Concept study due for completion in May

Location



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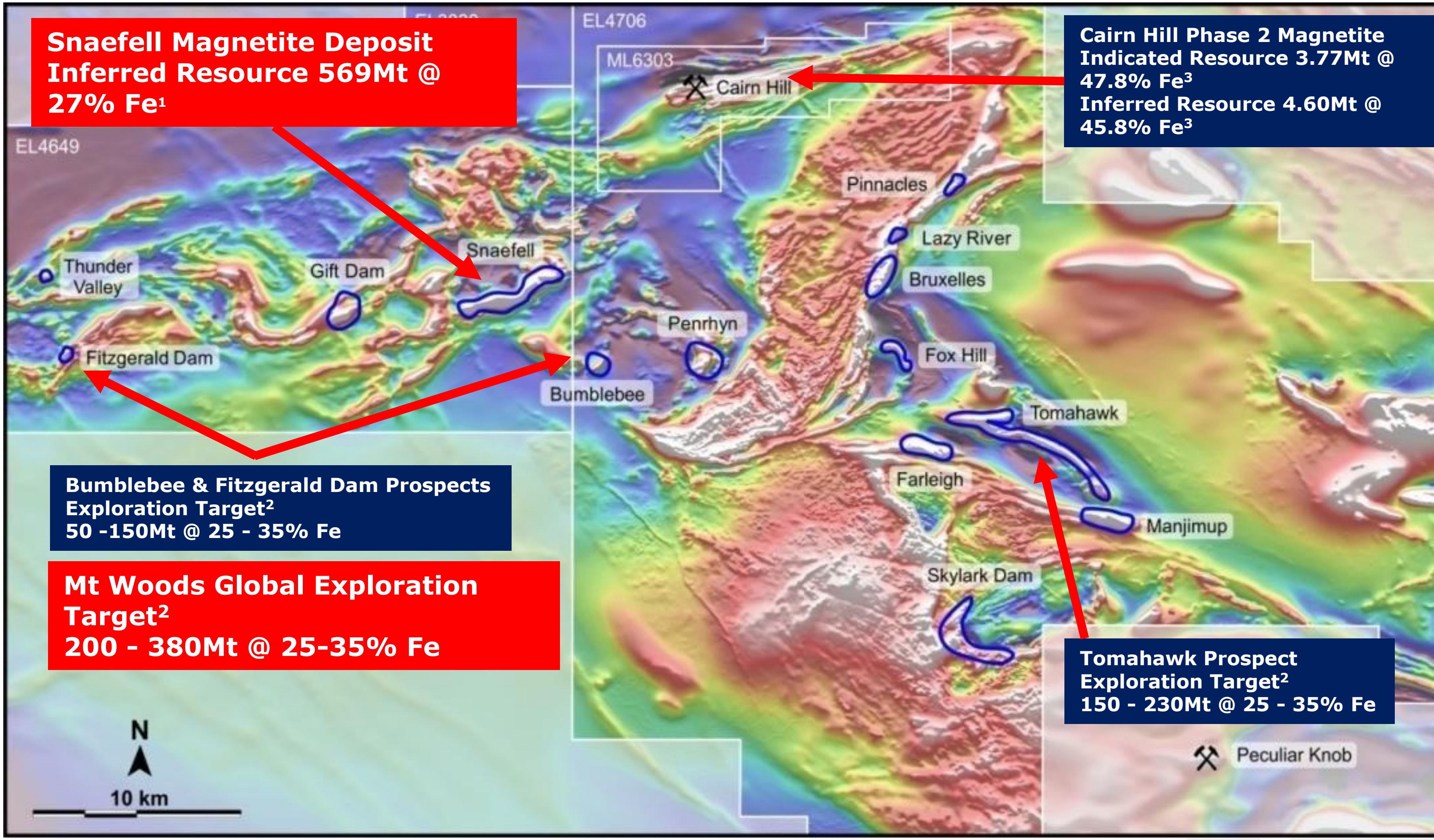
Mt Woods Magnetite Project



(1) *JORC (2004) classified Inferred Mineral Resource estimated with 18% Fe cut - off*

(2) *Exploration 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 to define a Mineral Resource and it is uncertain if further exploration will result in the target being delineated as a mineral resource*

(3) *JORC (2004) classified Inferred Mineral Resource estimated with 35% Fe cut - off*

Go-Forward Strategy for New IMX

Focus on Nachingwea	• Review potential to accelerate 2012 exploration program • Targeting construction commencing in 2014 with production by second half of 2015
Concept study on Mt Woods	• Concept study due for completion in May / June 2012 • Preliminary discussions regarding port options • 5,000m metallurgical drilling campaign currently underway with metallurgical test work to follow
Strengthening Team	• Addition of Continental key management to leverage expertise and relationships in advancing Nachingwea
Quality Growth	• Combination of financial strength, management/board expertise and technical skills to deliver the combined project pipeline • Continue to pursue exploration upside
Financial Strength	• Cairn Hill cash flows to support developments at Nachingwea & Mt Woods • Combined company with greater liquidity and access to capital to fund growth

Significant Catalysts to Drive Shareholder Value

Significant catalysts to drive the share price of Post-Arrangement IMX as Nachingwea advances towards production and Mt Woods continues its development

Key Value Catalysts

Jan 2012: A$0.33

Current: A$0.27

2011 - 2012
- New MD appointed to IMX management
- Cairn Hill producing at capacity
- Advancing Mt Woods Magnetite
- Snaefell resource update

2012 - 2013
- Consolidate ownership in Nachingwea and deliver scoping study
- Drilling on Mt Woods
- Begin Nachingwea DFS

2014
- DFS on Nachingwea
- Secure financing and begin construction
- Commence Mt Woods feasibility studies

2015+
- Production at Nachingwea
- Complete DFS at Mt Woods
- Pipeline to production from three assets

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Anticipated Transaction Timetable

- An indicative transaction timetable is outlined below. This timetable is indicative only and subject to change.

Announce Transaction	17 May 2012
Dispatch documents to shareholders	Late June / Early July 2012
Shareholder meeting(s)	Late July / Early August 2012
Transaction completion	Early / Mid August 2012