

28 April 2014

## Cairn Hill Update

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IMX Resources (ASX: IXR, TSX: IXR, IXR.WT) has experienced lower-than-anticipated copper grades from provisional invoice assays for the two most recent shipments of DSO magnetite-copper ore from its 51%-owned Cairn Hill Mine in South Australia.

The shipments consisted of the final ore to be extracted from the bottom of Pit 1, which forms part of the Cairn Hill Phase 1 operations.

The updated modelling shows that the impact of these lower copper grade shipments is expected to result in total after-tax cash distributions from Cairn Hill of \$8.0 million through until mid-2015, compared with the previously announced forecast of \$13.3 million.

These forecasts are based on the same commodity pricing and exchange rate assumptions used in the Phase 2 modelling and published in the Company's ASX announcement of 1 April 2014.

The lower-than-expected grades in Pit 1 have since recovered to ordinary levels and will not have any bearing on the remainder of Phase 1, Pits (3 and 4) which underpin the recently announced Phase 2 extension, or the potential cut-back at Pit 2, which could provide a further extension to the Cairn Hill operation.

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## About IMX

IMX Resources Limited is an Australian-based mining and exploration company, listed on the Australian Securities Exchange and Toronto Stock Exchange, with projects located in Australia and East Africa.

In Australia, IMX operates and owns 51% of the Cairn Hill Mine, located 55km south-east of Coober Pedy in South Australia, where it produces a premium coarse-grained magnetite-copper-gold DSO product at a rate of 1.8Mtpa. This operation generates cash flow which underpins the IMX investment proposition.

IMX is also actively exploring for direct shipping hematite at its Mt Woods tenements, located near the Cairn Hill Mine, and progressing development options for its Mt Woods Magnetite Project. Studies indicate that a smaller scale, lower cost project may be developed utilising existing infrastructure already in use at the Cairn Hill Mine. Efforts to secure a partner to support development of the Mt Woods Magnetite Project are continuing.

In Africa, IMX owns the highly prospective Ntaka Hill Nickel Sulphide Project, located within the broader 6,800km<sup>2</sup> Nachingwea Exploration Project in south-eastern Tanzania which is prospective for nickel and copper sulphide, gold and graphite mineralization. Ntaka Hill is a potentially world-class nickel sulphide project which is being explored under a US\$60 million exploration joint venture with MMG Exploration Holdings Limited.

Visit: [www.imxresources.com.au](http://www.imxresources.com.au)

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