IMX Resources
ADELAIDE | COOBER PEDY | TANZANIA

29 July, 2014

IMX Confirms Significant Graphite Results at the Chilalo Prospect on its Nachingwea Property

Rock chip samples return grades of up to 29.6% carbon in world class graphite province of the Mozambique Proterozoic Belt

KEY POINTS

- 65 historical rock chip samples collected from IMX's 100% owned Nachingwea Property[1] in Tanzania, have returned grades of between 4.8% and 29.6% carbon, with an average grade of 12.9%.
- 41 samples returned values of greater than 10% carbon.
- At the Chilalo Prospect, mapping and rock chips indicate a graphitic gneiss unit measuring up to 500m in width at surface and extending over a strike length of more than 10km.
- Chilalo Prospect target area is located just 5km west of Uranex's Nachu Graphite Project.
- Substantial VTEM geophysical survey has identified multiple anomalies.
- IMX holds a large tenement holding in a region known historically to be well-endowed in high-grade, coarse flake graphite.
- Drilling on track to commence in October 2014, to test the best targets, confirm extent of mineralisation, grades, flake size fractions and provide sample for metallurgical test work to determine recoveries.

IMX Resources (ASX: IXR, TSX: IXR, IXR.WT) is pleased to announce that it has confirmed significant graphite potential within its **Nachingwea Property** in south-east Tanzania (Figure 1), with rock chip sampling returning high-grade graphite results with assays of up to 29.6% carbon.

The majority of the rock chip sampling program was undertaken at the **Chilalo Prospect**, located 25km to the north-west of the Ntaka Hill Nickel Sulphide Project, as part of IMX's on-going evaluation of the regional mineral potential of Nachingwea.

The program was highly successful with 65 rock chip samples returning grades of between 4.8% and 29.6% carbon, with an average grade of 12.9% carbon. A total of 41 rock chips returned grades of greater than 10% carbon.

IMX Managing Director Gary Sutherland said the identification of graphite mineralisation within the Nachingwea Property further reinforces the outstanding prospectivity of the Company's Tanzanian exploration portfolio.

"Coming hard on the heels of our significant gold target at Kishugu, these graphite results provide IMX with an outstanding suite of exploration targets. We believe there is strong potential to define an economic resource within our extensive Nachingwea tenement package," he said.

The Chilalo Prospect is located within the Usagaran (Mozambique belt) system, which is well known for hosting high-grade, coarse flake graphite deposits such as Syrah Resources Limited's (ASX: SYR) Balama deposit and Uranex's Nachu Project. In fact, Uranex Limited's (ASX: UNX) Nachu Project is located immediately adjacent to the Chilalo Prospect on IMX's eastern tenement boundary.

They have reported an Exploration Target of 325-490Mt @ 4-9% TGC (Total Graphite Content) at a 2% TGC cut-off, and 55-115Mt @ 6-12% TGC at a 5% TGC cut-off. Their graphite is at the coarse end of flake size, a size that commands a significant premium.

Exploration Target tonnage quantity and grades estimates are conceptual in nature only. These figures are not a Mineral Resource estimate as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves or National Instrument 43-101, 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.

A Versatile Time Domain Electromagnetic (VTEM) geophysical survey has been completed over the majority of the Nachingwea Property, targeting nickel sulphides, and has identified numerous anomalies which are likely to be associated with graphite mineralisation (see Figure 2).

At Chilalo, geological mapping indicates that the graphitic bearing units are up to 500m wide, at surface and extend over several kilometres of strike, open to the north-east and south-west (Figure 3).

Next Steps:

The Company now intends to analyse the VTEM data to prioritise the strongest conductors which show the greatest potential for large volumes and/or high grades. Drilling of priority targets is expected to commence in October 2014.

GARY SUTHERLAND
Managing Director

For further information, please contact:
Gary Sutherland
Managing Director
Tel: +61 8 9388 7877

Phil Hoskins
Chief Financial Officer
Tel: +61 8 9388 7877

Media
Nicholas Read/Paul Armstrong – Read Corporate
Telephone: +61 8 9388 1474
E: info@readcorporate.com.au

1. The Nachingwea Property is the subject of a joint venture agreement with MMG Exploration Holdings Limited ("**MMG**"), under which it may earn up to a 60% interest by completing up to $60 million of expenditure. MMG has recently advised that it has almost spent its $10 million Stage 1 expenditure, the completion of which entitles it to a 15% interest in the Nachingwea Property.

Figure 1: Chilalo Prospect Location

Figure 2: Chilalo area showing rock chip samples locations

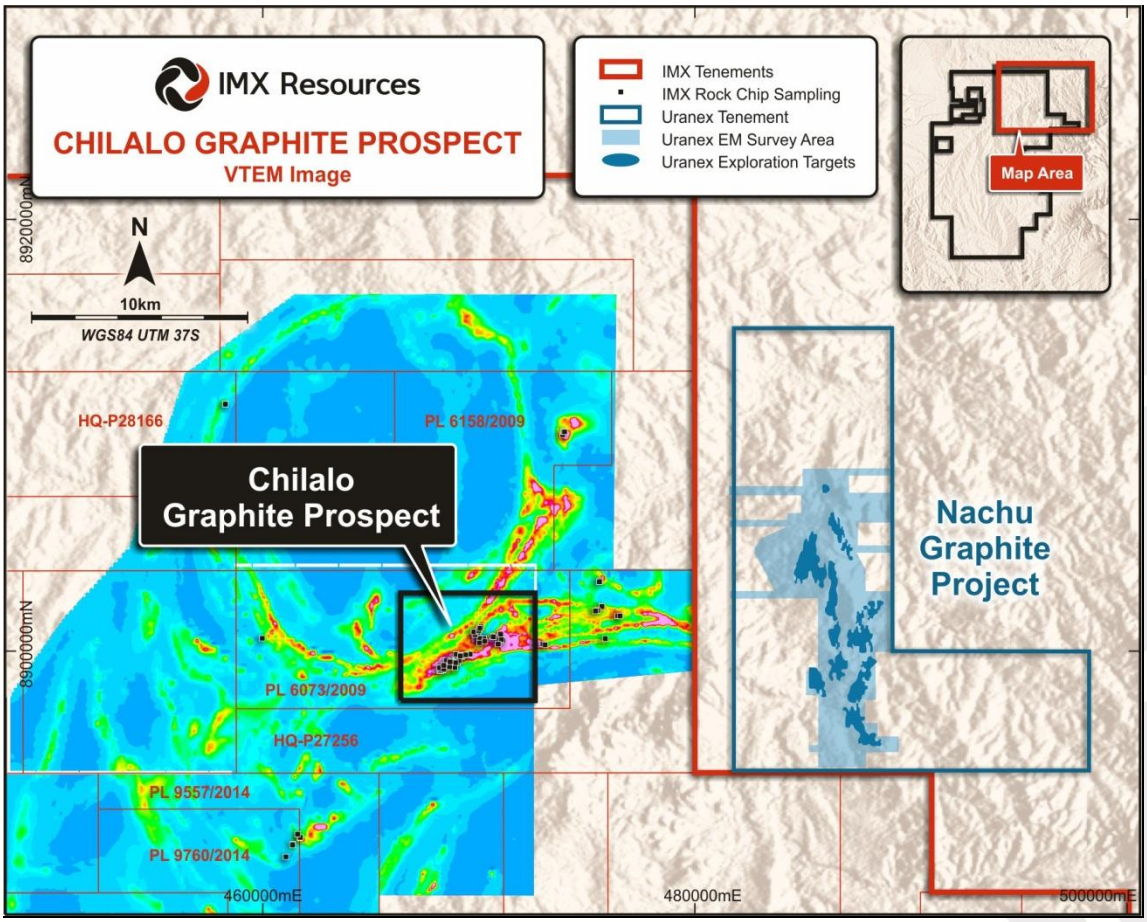
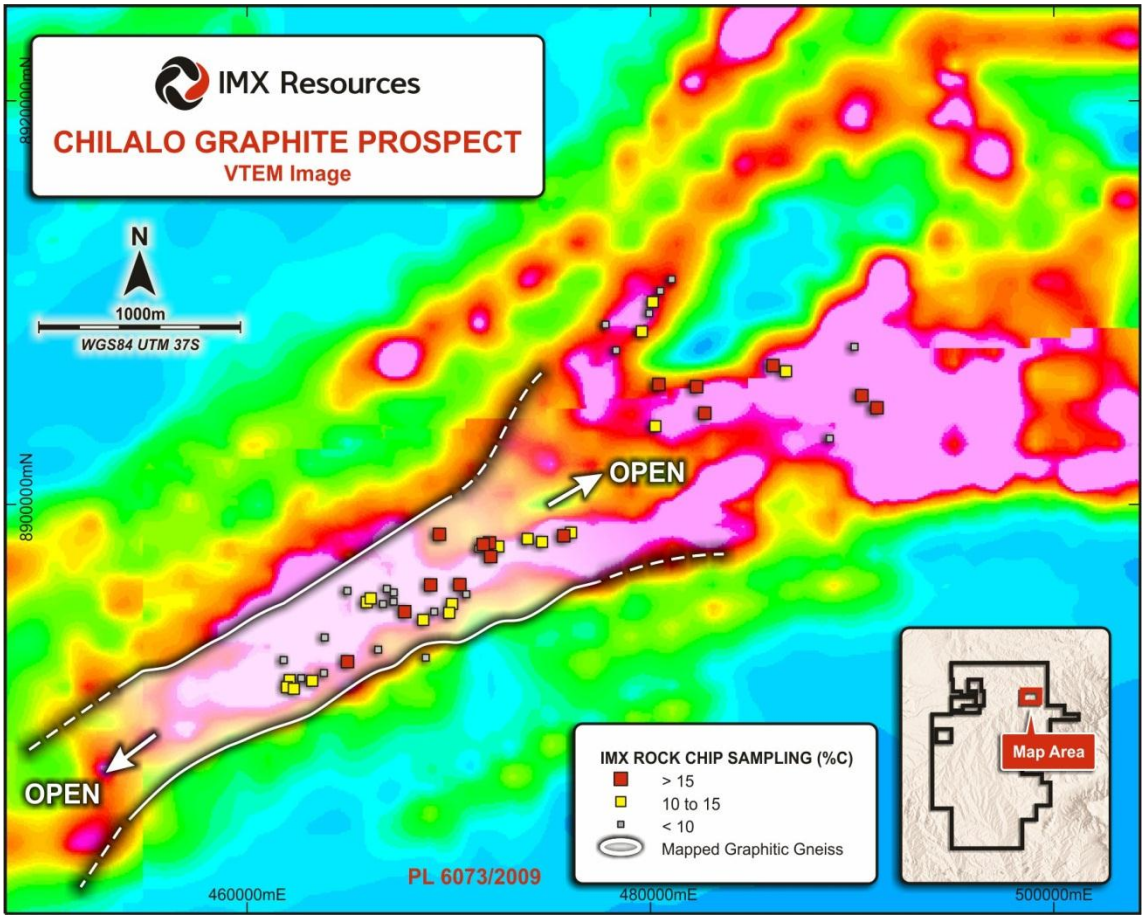


Figure 3: Rock chip sample results and mapped graphitic gneiss



About IMX Resources Limited

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

In Australia, IMX is also progressing development options for its Mt Woods Magnetite Project. Studies indicate that a smaller scale, lower cost project may be developed utilizing infrastructure that has been used by 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^2 Nachingwea Exploration Property 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.

Cautionary Statement: The TSX does not accept responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

On 19 June 2014, IMX announced the appointment of Voluntary Administrators to Termite Resources NL ("**Termite**"). Termite is wholly-owned by an incorporated joint venture entity, the board of which comprises nominees of IMX and Taifeng Yuanchuang International Development Co., Ltd. Termite holds the joint venture's interests in the Cairn Hill Mine, located 55 kilometres south-west of Cooper Pedy in South Australia.

The first meeting of Termite creditors was held on 30 June 2014. The Voluntary Administrator's final report to creditors is expected to be issued on or around 15 September 2014 and the second meeting of creditors is anticipated to take place on or before 24 September 2014. IMX continues to assist the Voluntary Administrators as appropriate, towards finding the best possible outcome for Termite.

Visit: www.imxresources.com.au

Competent Person's / Qualified Person's Statement

Information relating to geology at the Chilalo prospect, located on the Nachingwea Property, is based on data collected by the Company's former joint venture partner, Continental Nickel Limited, under the supervision of joint venture company geologists since 2006 and on data collected by IMX. Mr Nick Corlis, in his capacity as a full time employee of the Company holding the position of General Manager Exploration, has been working on the Nachingwea Property since May 2014. Mr Corlis BSc (Hons) MSc, is a registered member of the Australian Institute of Geoscientists and has sufficient relevant experience to qualify as a Competent Person under JORC 2012 and as a qualified person under NI 43-101. Mr. Corlis has verified the data underlying the information contained in this announcement and approves and consents to the inclusion of the data in the form and context in which it appears.

Forward-looking Statements: This News Release includes certain "forward-looking statements". Forward-looking statements and forward-looking information are frequently characterised by words such as "plan," "expect," "project," "intend," "believe," "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may", "will" or "could" occur. All statements other than statements of historical fact included in this release are forward-looking statements or constitute forward-looking information. There can be no assurance that such information of statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such information. Important factors could cause actual results to differ materially from IMX's expectations.

These forward-looking statements are based on certain assumptions, the opinions and estimates of management and qualified persons at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements or information. These factors include the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other geological data, fluctuating metal prices, the possibility of project cost overruns or unanticipated costs and expenses, the ability of contracted parties to provide services as contracted, uncertainties relating to the availability and costs of financing needed in the future and other factors.

IMX undertakes no obligation to update forward-looking statements or information if circumstances should change. The reader is cautioned not to place undue reliance on forward-looking statements or information. Readers are also cautioned to review the risk factors identified by IMX in its regulatory filings made from time to time with the ASX, TSX and applicable Canadian securities regulators.

APPENDIX 1. JORC 2012 Table 1 Reporting

Section 1. Sampling Techniques and Data

Criteria	Explanation
Sampling techniques	• Rock chip sampling was undertaken by IMX Resources as part of reconnaissance mapping. Samples were taken when visible mineralisation was observed, numbered and bagged before being submitted to the laboratory for analysis.
Drilling techniques	• Not applicable, no drilling conducted
Drill sample recovery	• Not applicable, no drilling conducted
Logging	• Rock chips were logged to a standard geological legend as part of the reconnaissance mapping undertaken
Sub-sampling techniques and sample preparation	• Not applicable, no drilling conducted
Quality of assay data and laboratory tests	• All assays conducted by ALS • Carbon (C) assays determined by Leco furnace (C-IR07) • Au assays are determined fire assay and AAS (Au-AA23) • Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga, K, La, Mg, Mn, Mo, Na, Ni, P, Pb, S, Sb, Sc, Sr, Th, Ti, Tl, U, V, W & Zn assays are determined by four acid digest and analysed by inductively coupled plasma-atomic emission spectrometry (ME-ICP61) • Laboratory and assay procedures are appropriate for Mineral Exploration • Laboratory QAQC consisted of standards, blanks and laboratory duplicates (both coarse and pulp) used at a ratio of 1 in 20. The QAQC sample results showed acceptable levels of accuracy and precision.
Verification of sampling and assaying	• Independent verification has not been undertaken on these results • Below detection limit values (negatives) have been replaced by half detection limit values for each element
Location of data points	• Sample points were surveyed utilising hand held GPS • Grid system is UTM WGS84 Zone 37 South datum and projection
Data spacing and distribution	• Data spacing for rock chip samples are displayed in the diagrams
Orientation of data in relation to geological structure	• Not applicable as no drilling has been undertaken
Sample security	• Labelling and submission of samples complies with industry standard
Audits or reviews	• No audits have been conducted on this data

Section 2. Reporting of Exploration Results

Criteria	Explanation
Mineral tenement and land tenure status	• The exploration results reported in this announcement are from work carried out on granted prospecting licences PL 6073/2009, PL 6158/2009, PL 9760/2014 and PL 9557/2014, which are owned 100% by IMX and offered applications HQ-P28166, HQ-P27256 • The prospecting licences PL 6073/2009, PL 6158/2009, PL 9760/2014, PL 9557/2014 are in good standing • The tenements are the subject of a joint venture agreement with MMG Exploration Holdings Limited ("MMG"), under which it may earn up to a 60% interest by completing up to $60 million of expenditure. MMG has recently advised that it has almost spent its $10 million Stage 1 expenditure, the completion of which entitles it to a 15% interest in the Nachingwea Property.
Exploration done by other parties	• Exploration has been performed by an incorporated subsidiary company of IMX, Ngwena Limited • Stream sediment surveys carried out historically by BHP were not assayed for the commodity referred to in the announcement
Geology	• The regional geology is thought to comprise late Proterozoic Mozambique mobile belt lithologies consisting of mafic to felsic gneisses interlayered with amphibolites and metasedimentary rocks
Drill hole information	• Not applicable, no drilling conducted
Data aggregation methods	• Not applicable, no drilling conducted
Relationship between mineralisation widths and intercept lengths	• As the geochemical results thus far collected by IMX Resources are from surface and any potential depths of mineralisation or orientations can only be inferred from geological observations on the surface and hence are speculative in nature
Diagrams	• Diagrams of rock chip locations and the location of IMX held tenements are included in this announcement
Balanced reporting	• All assay results received are reported in the diagrams included in this announcement
Other substantive exploration data	• Refer to the announcement
Further work	• Refer to the announcement

APPENDIX 2
Carbon grades from rock chip samples

SampleID	Easting	Northing	Carbon (%)
37977S	468592	8899515	11.15
37978S	468612	8899534	10.65
37979S	468673	8899506	4.81
37980S	468726	8899518	9.42
37981S	468726	8899517	9.82
37982S	468727	8899563	9.87
37983S	468693	8899581	9.59
37984S	468781	8899468	15.05
37985S	468873	8899427	10.30
37986S	469002	8899462	10.35
37987S	469016	8899507	14.80
37988S	469087	8899554	9.48
37989S	469054	8899602	29.60
37990S	468928	8899468	7.35
37991S	468910	8899600	25.20
37992S	468953	8899851	17.15
37993S	468497	8899571	8.56
37994S	468384	8899340	7.78
37995S	468380	8899164	8.56
37996S	468268	8899138	9.97
37997S	468210	8899129	11.95
37998S	468181	8899228	9.34
37999S	468197	8899094	11.25
38000S	468231	8899086	10.30
41751S	473915	8910156	17.55
41762S	473965	8910141	17.50
41763S	475860	8900579	10.60
41764S	472962	8900330	12.40
41765S	473064	8900292	11.70
41766S	473876	8910006	19.50
41767S	475691	8902066	14.70
41768S	476535	8901630	16.70
41769S	476429	8901638	18.75
41770S	475486	8901881	8.81
41771S	475408	8901862	8.36
41772S	459970	8900595	12.05
41793S	475622	8903256	16.95
41794S	475574	8903204	11.95

SampleID	Easting	Northing	Carbon (%)
55001S	468322	8899126	13.95
55002S	468886	8899240	8.86
55004S	468649	8899280	8.83
55005S	468497	8899220	15.20
55006S	469207	8899741	19.50
55007S	469170	8899801	16.45
55008S	469146	8899780	7.25
55009S	469202	8899809	23.30
55010S	469245	8899791	13.40
55011S	469391	8899829	10.85
55012S	469462	8899814	14.85
55013S	469569	8899844	19.75
55014S	469606	8899860	12.50
55015S	469777	8900891	7.22
55016S	469830	8900763	7.57
55017S	469957	8900857	10.05
55018S	469994	8900947	6.28
55019S	470011	8901003	11.30
55020S	470049	8901058	4.90
55021S	470105	8901115	8.11
55022S	471012	8900781	5.87
55023S	471048	8900539	18.60
55024S	471123	8900478	28.30
55025S	470889	8900326	9.81
55026S	470672	8900659	11.70
55027S	470607	8900688	23.50
55028S	470269	8900451	16.65
55029S	470228	8900583	29.30
55030S	470023	8900387	13.65
55031S	470041	8900594	16.70
55033S	461066	8890487	8.79
55035S	461397	8891070	7.50
55036S	461383	8891038	7.18
55037S	461719	8891358	15.25
55038S	461733	8891379	11.50
55039S	461610	8891533	10.90
57040S	458261	8911437	7.98
57044S	458267	8911424	6.43