

29 December 2015

## Non-Renounceable Entitlement Offer to Fund Asset Restructure

### Highlights

- 1:3 non-renounceable pro-rata entitlement offer at 0.4 cents per share to raise approximately \$1.54 million to fund completion of the recently announced proposed restructure transaction.
- IMX tracking to deliver environmental approval, mining licence, metallurgical optimisation and expansion ratio testwork and to advance offtake and finance arrangements prior to conclusion of the proposed restructure transaction.

IMX Resources Limited (**ASX: IXR**) ('**IMX**' or the '**Company**') announces the commencement of a non-renounceable pro rata entitlement offer ('**Entitlement Offer**') to eligible shareholders on the basis of one share ('**New Shares**') at an issue price of 0.4 cents for every 3 fully paid ordinary shares ('**Shares**') to raise approximately \$1.54 million (before costs).

On 21 December 2015, the Company announced a proposed restructure to better realise the significant value in both its Chilalo Graphite Project and its base and precious metals assets ('**Proposed Transaction**'). Proceeds from the Entitlement Offer will primarily be used to fund the Proposed Transaction as well as to continue marketing the Chilalo Graphite Project in order to achieve binding offtake and financing agreements and to meet tenement holding costs. The Proposed Transaction will allow for the creation of two distinct companies:

- A graphite company committed to fast tracking Chilalo towards production, with an immediate priority on completing offtake and financing agreements and a Definitive Feasibility Study (**NewCo**); and
- A base and precious metals company with a controlling 70% interest in the substantial Ntaka Hill nickel project and the exciting early stage gold and nickel exploration targets (**IMX**).

IMX Managing Director, Phil Hoskins commented; "*The IMX Board remains committed to the restructure of the IMX asset portfolio, including the creation of a new ASX listed graphite company holding the Chilalo graphite asset. This capital raising is expected to enable IMX to progress the transaction through to completion, and we look forward to shareholders' continued support*".

The Entitlement Offer will be available to all holders of Shares in the Company ('**Shareholders**') with a registered address in Australia and New Zealand ('**Eligible Shareholders**') as at 5.00 pm (AWST) on [5 January] 2016 ('**Record Date**'). The Company will make an application to the ASX for official quotation of the New Shares.

The right to subscribe for the New Shares under the Entitlement Offer will be non-renounceable and the Entitlement Offer has not been underwritten at this stage.

Shares issued pursuant to the Entitlement Offer will rank equally with all shares on issue. Entitlements which are not taken up by Eligible Shareholders will form part of the shortfall. Subject to any restrictions imposed by law, Eligible Shareholders who have subscribed for their Entitlements in full may apply for

additional shares under the shortfall ('**Shortfall Shares**'). Shortfall Shares will be issued to Eligible Shareholders at the discretion of the Directors. Subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules, the Directors reserve the right to deal with the Shortfall Shares which are not taken up by Eligible Shareholders under the Entitlement Offer within 3 months after the Closing Date, including by inviting persons to apply for the Shortfall Shares.

The issue price offered under the Entitlement Offer will be 0.4 cents per share. The issue price represents a discount of 43% to the closing price of 0.7 cents for shares in the Company last traded on the Australian Securities Exchange ('**ASX**') on 24 December 2015 and a 44% discount to the 30 day volume weighted average price of 0.72 cents per share to the same date.

The Company will use the proceeds from the Entitlement Offer to continue marketing the Chilalo Project in order to achieve binding offtake and financing agreements, to meet tenement holding costs, fund the Proposed Transaction and on administration and corporate expenses. Further, results from work paid for to date, including environmental approvals, mining licence, metallurgical testwork optimisation and downstream processing testwork are expected to be completed prior to completion of the Proposed Transaction.

The number of issued Shares following the close of the Rights Issue is as follows:

- Number of Shares currently on issue: 1,159,187,617
- Maximum number of New Shares to be issued under the Rights Issue<sup>1</sup>: 386,395,872
- Maximum number of Shares on issue upon completion of the Rights Issue<sup>2</sup>: 1,545,583,489

Notes:

<sup>1</sup> *The number of New Shares to be issued assumes that no options or performance rights currently on issue are exercised or converted prior to the Record Date.*

<sup>2</sup> *Assumes that the Entitlement Offer is fully subscribed and that no options or performance rights currently on issue are exercised or converted prior to the Record Date.*

The Company has decided that it is unreasonable to extend the Entitlement Offer to shareholders with a registered address outside Australia and New Zealand (**Excluded Shareholders**) having regard to:

- a) the number of Shareholders outside Australia and New Zealand;
- b) the number and value of New Shares that would be offered to Shareholders outside of Australia and New Zealand; and
- c) the cost of complying with the legal requirements, and requirements of regulatory authorities, in the overseas jurisdictions.

Accordingly, the Entitlement Offer will not be extended to Excluded Shareholders.

## Proposed timetable

It is proposed that the Entitlement Offer be conducted according to the following indicative table:

<b>Event</b>	<b>Date</b>
Entitlement Offer announced via ASX and application for quotation (Appendix 3B) Letter to unlisted option holders	29 December 2015
Letter to eligible and excluded shareholders	29 December 2015
Shares quoted on an "ex" basis	31 December 2015
Record Date to identify Shareholders entitled to participate in issue	5 January 2016
Offer Document lodged with ASX Offer Document and Entitlement and Acceptance Forms despatched to Eligible Shareholders	7 January 2016
Last day to extend the Entitlement Offer closing date	13 January 2016
Closing Date for acceptance and payment	18 January 2016
Securities quoted on a deferred settlement basis.	19 January 2016
Entity notifies ASX of under subscriptions	No later than 21 January 2016
Issue of New Shares	22 January 2016
Despatch of holding statements	22 January 2016
Commencement of trading of New Shares	25 January 2016
Placement of shortfall shares	18 April 2016

This timetable is indicative only and subject to change. Subject to the Corporations Act 2001 (Cth) and the ASX Listing Rules, the Directors of the Company reserve the right to vary these dates, including the closing date of the Entitlement Offer, without prior notice. The Directors also reserve the right not to proceed with the whole or part of the Entitlement Offer at any time prior to allotment. In that event, application money will be returned without interest.

Full details of the terms and conditions of the Entitlement Offer are contained in the Offer Document lodged with the ASX and to be despatched to Eligible Shareholders in accordance with the timetable set out above.

In connection with the Entitlement Offer, the following documents are enclosed:

- Letter to eligible shareholders
- Cleansing Notice
- Appendix 3B
- Offer Document



**PHIL HOSKINS**  
**Managing Director**

For further information, please contact:  
Phil Hoskins – Managing Director  
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**About IMX Resources Limited**

IMX Resources is an Australian minerals exploration company that holds a 5,400 km<sup>2</sup> tenement package at the Nachingwea Property in south-east Tanzania. The Nachingwea Property hosts the Chilalo Graphite Project, the Ntaka Hill Nickel Project and the Kishugu and Naujombo Gold Prospects. IMX's primary focus is on developing the high-grade and coarse flake Chilalo Graphite Project. The Pre-Feasibility Study ('PFS') released on 23 November 2015 outlined a low cost, high margin operation, with attractive project economics and confirmed the potential viability of a small scale open pit mining and conventional flotation processing operation. The PFS is based on a high-grade Indicated and Inferred JORC Mineral Resource of 9.2 Mt grading 10.7% Total Graphitic Carbon ('TGC'), comprised of an Indicated Resource of 5.1 Mt grading 11.9% TGC for 613,800 tonnes of contained graphite and an Inferred Resource of 4.1 Mt grading 9.1% TGC for 370,300 tonnes of contained graphite. Chilalo is located approximately 220 km by road, from the deep water commercial Mtwara Port, the majority of which is a sealed main road. IMX aims to become a respected supplier of high quality graphite.

To find out more, please visit [www.imxresources.com.au](http://www.imxresources.com.au).

Dear Shareholder

### **Non - Renounceable Entitlement Offer**

On 29 December 2015 IMX Resources Limited ACN 009 129 560 (the **Company**) announced an opportunity for holders of shares in the Company (**Shareholders**) with a registered address in Australia and New Zealand (**Eligible Shareholders**) as at 5.00 pm (AWST) on 5 January 2016 (**Record Date**) to participate in a non-renounceable pro rata entitlement offer (**Entitlement Offer**).

Pursuant to the Entitlement Offer, the Company will issue up to 386,395,872 fully paid ordinary shares in the capital of the Company (**New Shares**) at an issue price of 0.4 cents each, to raise approximately \$1.54 million (before costs). The New Shares will be offered on the basis of 1 New Share for every 3 fully paid ordinary shares (**Shares**) held in the capital of the Company as at the Record Date (**Entitlement**).

The New Shares will be fully paid and will rank equally with the Company's existing issued Shares. The Company will make an application to the Australian Securities Exchange (**ASX**) for official quotation of the New Shares. No Shareholder approval is required for the Entitlement Offer.

The rights to subscribe for the New Shares in accordance with an Entitlement under the Entitlement Offer are non-renounceable and the Entitlement Offer is not underwritten. In determining Entitlements, any fractional entitlements have been rounded up to the nearest whole number of Shares.

An Offer Document setting out full details of the Entitlement Offer, a copy of which will be lodged with the ASX on 7 January 2016, will be sent to all Eligible Shareholders, together with an Entitlement and Acceptance Form. A copy of the Offer Document is also available on the ASX website (<http://www.asx.com.au>). Full details of the terms and conditions of the Entitlement Offer will be contained in the Offer Document.

If fully subscribed, on completion of the Entitlement Offer the Company will have approximately 1,545,583,489 fully paid ordinary shares on issue. This assumes no options or performance rights currently on issue are exercised or converted prior to the Record Date.

The Company will use the proceeds from the Entitlement Offer to continue marketing the Chilalo Project in order to achieve binding offtake and financing agreements, to meet tenement holding costs, fund the proposed demerger of the Chilalo Project and on administration and corporate expenses. Further details are set out in section 1.3 of the Offer Document.

Please note that Shareholders at the Record Date that have a registered address outside Australia and New Zealand (**Excluded Shareholders**) will not be eligible to participate in the Entitlement Offer.

Eligible Shareholders may:

- take up all their Entitlement;
- allow all or part of their Entitlement to lapse;
- take up part of their Entitlement and allow the balance to lapse; or
- take up all of their Entitlement and apply for additional New Shares under the shortfall.

Further details on how to take up your Entitlements, including paying by BPAY or cheque are set out in section 2 of the Offer Document. Application monies (and a completed Entitlement and Acceptance Form if paying by cheque, money order or bank draft) are due by 5.00 pm (AWST) on 18 January 2016 (**Closing Date**).

It is proposed that the Entitlement Offer be conducted according to the following indicative table:

<b>Event</b>	<b>Date</b>
Entitlement Offer announced to ASX	29 December 2015
Shares quoted on an "ex" basis	31 December 2015
Record Date to identify Shareholders entitled to participate in issue	5 January 2016
Offer Document lodged with ASX Offer Document and Entitlement and Acceptance Forms despatched to Eligible Shareholders	7 January 2016
Closing Date for acceptance and payment	18 January 2016
Securities quoted on a deferred settlement basis	19 January 2016
Entity notifies ASX of under subscriptions	No later than 21 January 2016
Issue of New Shares and despatch of holding statements	22 January 2016
Commencement of trading of New Shares	25 January 2016

This timetable is indicative only and subject to change. Subject to the Corporations Act 2001 (Cth) and the Listing Rules, the Directors of the Company, reserve the right to vary these dates, including the Closing Date. The Directors also reserve the right not to proceed with the whole or part of the Entitlement Offer at any time prior to allotment. In that event, application money will be returned without interest.

Before taking up Entitlements under the Entitlement Offer, Eligible Shareholders should read all the information set out in the Offer Document, including the summary risk factors in section 3 of the Offer Document. If you have any queries, please consult your professional adviser.

For further information on your Entitlement to the Entitlement Offer, or how to deal with the Entitlement Offer, please contact the Company's share registry, Computershare Limited by telephone on + 61 8 9323 2000 or by facsimile on + 61 8 9323 2033, the Company Secretary by telephone on +61 8 9388 7877 or consult your professional adviser.

Yours faithfully,



**Derek Fisher**  
**CHAIRMAN**  
29 December 2015

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

IMX Resources Limited

ABN

67 009 129 560

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |   |   |
|---|---|---|
| 1 | +Class of +securities issued or to be issued  | Fully paid ordinary shares  |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued   | Up to 386,395,872 shares under a one for three pro rata entitlement offer, subject to the reconciliation of entitlements and rounding |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares  |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>The shares rank equally with the Entity's existing class of securities, being fully-paid ordinary shares.</p>
<p>5 Issue price or consideration</p>	<p>0.4 cents</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>To carry out further marketing of the Chilalo Graphite Project; meet tenement holding costs; fund the proposed restructure announced on 21 December 2015 and general working capital.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>17 November 2015</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Nil</p>

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+ See chapter 19 for defined terms.



6d	Number of +securities issued with security holder approval under rule 7.1A	Nil				
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil				
6f	Number of +securities issued under an exception in rule 7.2	Nil				
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A				
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A				
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A				
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	22 January 2016				
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">1,545,583,489</td> <td style="vertical-align: top;">Fully-paid ordinary shares</td> </tr> </tbody> </table>	Number	+Class	1,545,583,489	Fully-paid ordinary shares
Number	+Class					
1,545,583,489	Fully-paid ordinary shares					

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	64,562,299	Unlisted stock options
	3,264,065	Performance Rights
	29,654,100	Share Appreciation Rights
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Entity has not yet established a dividend policy.	

**Part 2 - Pro rata issue**

11 Is security holder approval required?	N/A
12 Is the issue renounceable or non-renounceable?	Non-renounceable
13 Ratio in which the +securities will be offered	One for three
14 +Class of +securities to which the offer relates	Fully paid ordinary shares
15 +Record date to determine entitlements	5 January 2016
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17 Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded up to the nearest whole number
18 Names of countries in which the entity has security holders who will not be sent new offer documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	All countries other than Australia and New Zealand
19 Closing date for receipt of acceptances or renunciations	18 January 2016

+ See chapter 19 for defined terms.

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	7 January 2016
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A – there will be no rights trading
29	Date rights trading will end (if applicable)	N/A
30	How do security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

+ See chapter 19 for defined terms.

## Appendix 3B New issue announcement

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- 32 How do security holders dispose of their entitlements (except by sale through a broker)?
- 33 <sup>+</sup>Issue date

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

- 34 Type of <sup>+</sup>securities  
(tick one)
- (a)  <sup>+</sup>Securities described in Part 1
- (b)  All other <sup>+</sup>securities  
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

- 35  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders
- 36  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over
- 37  A copy of any trust deed for the additional <sup>+</sup>securities

#### Entities that have ticked box 34(b)

- 38 Number of <sup>+</sup>securities for which <sup>+</sup>quotation is sought

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<sup>+</sup> See chapter 19 for defined terms.

39    +Class of +securities for which quotation is sought

40    Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41    Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42    Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

**Quotation agreement**

- 1    +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2    We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: .....Date: 29 December 2015

Print name: Stuart McKenzie  
(Company Secretary)

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+ See chapter 19 for defined terms.

## Appendix 3B – Annexure 1

### Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

#### Part 1

<b>Rule 7.1 – Issues exceeding 15% of capital</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	524,787,793
<p><b>Add</b> the following:</p> <ul style="list-style-type: none"> <li>• Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid +ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>Include only ordinary securities here – other classes of equity securities cannot be added</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<p>129,166,666 shares being a placement of shortfall arising under a one for two pro rata entitlement offer (Appendix 3B 31 December 2014)</p> <p>16,666,667 shares being a placement of shortfall arising under a one for two pro rata entitlement offer (Appendix 3B 8 January 2015)</p> <p>204,902 shares, being the vesting of Performance Rights (Appendix 3B 17 April 2015)</p> <p>11,644,869, being the vesting of Performance Rights (Appendix 3B 10 July 2015)</p> <p>91,943,168 fully paid ordinary shares (Appendix 3B 14 April 2015)</p> <p>233,333,329 fully paid ordinary shares (Appendix 3B 4 September 2015)</p> <p>43,500,057 fully paid ordinary shares (Appendix 3B 7 September 2015)</p> <p>2,500,000 fully paid ordinary shares (Appendix 3B 11 September 2015)</p> <p>850,000 fully paid ordinary shares (Appendix 3B 14 October 2015)</p> <p>65,056,832 fully paid ordinary shares (Appendix 3B 14 April 2015, issued pursuant to Listing Rule 7.1A)</p>
<b>Subtract</b> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
<b>“A”</b>	1,119,654,283

+ See chapter 19 for defined terms.

Appendix 3B  
New issue announcement

<b>Step 2: Calculate 15% of “A”</b>	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	167,948,142
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>• Under an exception in rule 7.2</li> <li>• Under rule 7.1A</li> <li>• With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li>• <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<ul style="list-style-type: none"> <li>• 5,000,000 unlisted stock options (Appendix 3B 31 December 2014)</li> <li>• 1,500,000 unlisted stock options (Appendix 3B 16 March 2015)</li> <li>• 23,866,667 fully paid ordinary shares (Appendix 3B 11 September 2015)</li> <li>• 15,666,667 fully paid ordinary shares (Appendix 3B 15 September 2015)</li> <li>• 11,000,000 unlisted stock options (Appendix 3B 17 September 2015)</li> </ul>
“C”	57,033,334
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	167,948,142
<b>Subtract “C”</b> <i>Note: number must be same as shown in Step 3</i>	57,033,334
<b>Total</b> [“A” x 0.15] – “C”	110,914,807 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.



## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,119,654,283
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	111,965,428
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <b>Notes:</b> <ul style="list-style-type: none"> <li>• <i>This applies to equity securities – not just ordinary securities</i></li> <li>• <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li>• <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i></li> <li>• <i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	N/A
<b>“E”</b>	N/A

+ See chapter 19 for defined terms.

Appendix 3B  
New issue announcement

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<b>Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A</b>	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	111,965,428
<b>Subtract "E"</b> <i>Note: number must be same as shown in Step 3</i>	N/A
<b>Total</b> ["A" x 0.10] – "E"	111,965,428 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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+ See chapter 19 for defined terms.

29 December 2015

**Non-renounceable entitlement offer - Cleansing notice (section 708AA of the Corporations Act 2001)**

This notice is given by IMX Resources Limited (**IMX** or the **Company**) (ASX: IXR) under section 708AA(2)(f) of the Corporations Act 2001 (Cth) (**Act**), as notionally modified by ASIC Class Order 08/35 (**Class Order**).

IMX Resources Limited (ACN 009 129 560) (**IMX**) (ASX Code: IXR) today announced a pro rata non-renounceable entitlement offer (**Entitlement Offer**). Under the Entitlement Offer, shareholders with a registered address in Australia and New Zealand (**Eligible Shareholders**) are invited to subscribe for 1 ordinary share (**New Shares**) for every 3 existing ordinary shares held as at 5:00 pm (AWST) on 5 January 2016. If fully subscribed, the Entitlement Offer will raise approximately \$1.54 million before costs.

An Offer Document will be despatched to Eligible Shareholders on 7 January 2016, together with a personalised Entitlement and Acceptance Form. For informational purposes, a sample copy of this Offer Document follows this notice.

IMX confirms that:

- (a) the New Shares will be offered for issue without disclosure to investors under Part 6D.2 of the Act (as notionally modified by the Class Order) and without a prospectus for the New Shares being prepared;
- (b) this notice is being given under section 708AA(2)(f) of the Act;
- (c) as at the date of this notice, IMX has complied with:
  - (i) the provisions of Chapter 2M of the Act as they apply to IMX; and
  - (ii) section 674 of the Act;
- (d) the Company has received a preliminary and incomplete metallurgical testwork report from the Wuhan Technology Institute. The report indicates an improvement in the product specifications that can be achieved at the Chilalo graphite project however further interpretation and analysis is required prior to the results being finalised and released to the market. The Company expects this further analysis to be complete by mid-January 2016. As at the date of this notice, there is no other "excluded information" of the type referred to in and for the purposes of sections 708AA(8) and 708AA(9) of the Act that is required to be set out in this Notice under section 708AA(7) of the Act; and
- (e) the potential effect that the issue of New Shares will have on the control of IMX, and the consequences of that effect, will depend on a number of factors, including investor demand for New Shares. However, given the structure of the Entitlement Offer as a pro rata issue, the potential effect that the issue of the New Shares will have on the control of IMX is as follows:
  - (i) if all Eligible Shareholders take up their entitlements under the Entitlement Offer, the Entitlement Offer will have no significant effect on the control of IMX;

- (ii) if some Eligible Shareholders do not take up their entitlements under the Entitlement Offer then the interests of those Eligible Shareholders will be diluted;
- (iii) the proportional interests of shareholders with an address outside of Australia and New Zealand will be diluted because such shareholders are not entitled to participate in the Entitlement Offer;
- (iv) although the issue of New Shares which are not taken up by Eligible Shareholders under the Entitlement Offer may increase the voting power of the investors who may be allocated New Shares via the shortfall process, it is not expected to have any material effect on the control of IMX.

Yours faithfully



**Stuart McKenzie**  
Company Secretary





**IMX Resources Limited**  
ACN 009 129 560

**ENTITLEMENT OFFER  
OFFER DOCUMENT**

For a non-renounceable pro rata offer of New Shares at an issue price of 0.4 cents each on the basis of 1 New Share for every 3 Shares held by Eligible Shareholders at the Record Date to raise approximately \$1.54 million before costs.

The last date for acceptance and payment in full is 5.00 pm (AWST) 18 January 2016.

**THIS IS AN IMPORTANT DOCUMENT. IF YOU DO NOT UNDERSTAND IT, OR ARE IN  
DOUBT AS TO HOW TO ACT, YOU SHOULD CONSULT YOUR FINANCIAL OR  
OTHER PROFESSIONAL ADVISER**

**THE NEW SHARES OFFERED BY THIS DOCUMENT SHOULD BE  
CONSIDERED AS SPECULATIVE**

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## IMPORTANT NOTICES

This Offer Document is issued pursuant to section 708AA of the Corporations Act 2001 (Cth) (**Corporations Act**) (as modified by ASIC Class Order 08/35) for the offer of New Shares without disclosure to investors under Part 6D.2 of the Corporations Act. This Offer Document was lodged with ASX on 29 December 2015. Neither ASIC or ASX takes any responsibility for the content of this Offer Document.

This Offer Document is not a prospectus and does not contain all of the information that an investor would find in a prospectus or which may be required by an investor in order to make an informed investment decision regarding, or about the rights attaching to, New Shares. Nevertheless, this Offer Document contains important information and requires your immediate attention. It should be read in its entirety. If you are in any doubt as to how to deal with this Offer Document, you should consult your professional adviser as soon as possible.

This Offer Document does not, and is not intended to, constitute an offer or invitation in the United States, or to any person acting for the account or benefit of a person in the United States, or in any other place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No offer is being made to Shareholders with a registered address outside Australia and New Zealand. The distribution of this Offer Document and the Entitlement and Acceptance Form (including electronic copies) outside Australia and New Zealand may be restricted by law. If you come into possession of these documents, you should observe such restrictions and should seek your own advice about such restrictions. Please refer to Section 1.9.

Information about the Company is publicly available and can be obtained from ASIC and ASX (including its website [www.asx.com.au](http://www.asx.com.au)). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Offer Document and do not constitute part of the Entitlement Offer. This Offer Document is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

No person is authorised to give any information or make any representation in connection with the Entitlement Offer which is not contained in this Offer Document. Any such extraneous information or representation may not be relied upon.

This Offer Document contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Offer Document, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and our management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Offer Document will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Offer Document, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 3 of this Offer Document

Applications for New Shares by Eligible Shareholders may only be made on an original Entitlement and Acceptance Form, as sent with this Offer Document. The Entitlement and Acceptance Form sets out the Entitlement of an Eligible Shareholder to participate in the Entitlement Offer. Please read the instructions in this Offer Document and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement. By returning an Entitlement and Acceptance Form or lodging an Entitlement and Acceptance Form with your stockbroker or otherwise arranging for payment for your New Shares through BPAY<sup>®</sup> in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have received and read this Offer Document, you have acted in accordance with the terms of the Entitlement Offer detailed in this Offer Document and you agree to all of the terms and conditions as detailed in this Offer Document.

Please refer to the glossary in Section 5 for terms and abbreviations used in parts of this Offer Document.

## Chairman's letter

Dear Shareholder

On behalf of the Board of IMX, I am pleased to invite you to participate in a non-renounceable pro rata Entitlement Offer announced by the Company on 29 December 2015. This Entitlement Offer provides you with the opportunity to increase your investment in the Company.

Eligible Shareholders will have the opportunity under the Entitlement Offer to subscribe for 1 New Share for every 3 Shares held on the Record Date at the issue price of 0.4 cents per New Share. The issue price represents a discount of 43% to the closing price of the Shares last traded on the ASX on 24 December 2015 and a 44% discount on the last 30 day volume-weighted average price of IMX shares to that date.

In November 2015, we completed a Pre-Feasibility Study (**PFS**) on the Chilalo Graphite Project (**Chilalo**), the results of which confirmed the emergence of Chilalo as a market-leading graphite project that on all objective measures compares highly favourably with other graphite projects (see ASX announcement of 23 November 2015). The PFS results strongly support the Company's strategy of focusing its efforts on advancing Chilalo as an outstanding near-term development opportunity.

The PFS demonstrates that Chilalo is a low capital and operating cost flake graphite project capable of producing a high quality product with substantial portions of jumbo flake graphite. The high resource grade and proximity to existing infrastructure are the key reasons underpinning Chilalo's cost competitiveness. Whilst there are other graphite projects with similar technical characteristics to Chilalo, there are some intangibles working in IMX's favour in ensuring the project will be successfully developed.

Firstly, we have demonstrated our ability to develop the project quickly, completing a resource, PFS and substantially advancing environmental permitting within 15 months of commencing a desktop geological review into graphite prospectivity. This ability to work fast and smart stands IMX in good stead as it looks to take advantage of the window of opportunity that has opened in the graphite market.

The second intangible particularly important for graphite is the quality of the relationships that the Company has developed in China as a result of the Company's previously operated iron ore mine. China has produced between 60-70% of world graphite production in the last 30-40 years and is currently the largest producer of uncoated spherical graphite (component in lithium-ion battery manufacture) and expandable graphite (the major end use for jumbo flake graphite). The significant investment of time into these relationships and into understanding the Chinese graphite industry has IMX ideally placed to prosper from the shortage of supply of quality coarse flake graphite into China. IMX continues to positively negotiate offtake and project financing with a major Chinese company who has the stated objective of being the dominant graphite player in China.

The interest from strategic investors and end users stems from the quality of the Chilalo product. Not only have independent metallurgical testwork programs demonstrated that Chilalo high-grade mineralisation can produce a coarse flake graphite product, but feedback from end users is that the expandability of Chilalo jumbo flake graphite is world class.

Expandable graphite is one of the fastest growing markets for graphite and has multiple uses, including the production of high-value graphite foils which are used as heat shields in electronic devices, graphite paper used in the manufacturing sector, heat shield gaskets, fire and thermal seals for machinery and electronic parts and in the manufacture of flame retardant and thermally efficient building materials. The market size is currently supply-driven and there is certainly sufficient demand for the volume of graphite produced under the PFS.

Substantial progress has been made with the Chilalo Project during 2015 and the Company has received considerable market feedback that a simplified corporate strategy would provide a greater opportunity for both investors and counterparties to participate and for the significant embedded value of Chilalo to be realised. IMX's multi-commodity asset portfolio, which includes the Chilalo Project, the Ntaka Hill Nickel Project and gold exploration prospects at Kishugu and Nujombo, is seen as overcomplicated and is considered by market participants to be sub-optimal.

As a consequence, as announced to the ASX on 21 December 2015, the IMX Board has committed to a restructure of its Tanzanian asset portfolio to better realise the significant value in both Chilalo and its base and precious metals assets. The proposed restructure will involve the demerger of Chilalo into a

new listed company as part of a restructure that would result in the creation of two distinct companies (**Proposed Restructure**):

- a graphite company committed to fast tracking Chilalo towards production, with an immediate priority on completing offtake and financing agreements and a Definitive Feasibility Study; and
- a base and precious metals company with a controlling 70% interest in the substantial Ntaka Hill nickel project and the exciting early stage gold and nickel exploration targets.

Funds raised from the Entitlement Offer will be used to continue marketing Chilalo in order to achieve binding offtake and financing agreements, to meet tenement holding costs, carry out the Proposed Restructure and on administration and corporate expenses.

The details of the Entitlement Offer are set out in this Offer Document together with your personalised Entitlement and Acceptance Form. I encourage you to read the Offer Document in its entirety before making your investment decision. A description of risk factors that you may wish to consider is set out in Section 3.

On behalf of the Board, I commend this Entitlement Offer to you and look forward to your continuing investment in the Company. I thank you for your ongoing support as a Shareholder of the Company.

Yours sincerely

**Derek Fisher**  
**Chairman**



## 1. Details of the Entitlement Offer

### 1.1 The Entitlement Offer

IMX Resources Limited ACN 009 129 560 (the **Company**) is making a non-renounceable pro rata offer (**Entitlement Offer**) of fully paid ordinary shares in the capital of the Company (**New Shares**) to Shareholders with a registered address in Australia and New Zealand (**Eligible Shareholders**). Eligible Shareholders who are on the Company's share register at 5.00 pm (AWST) on 5 January 2016 (**Record Date**) will be entitled to apply for 1 New Share for every 3 Shares held at an issue price of 0.4 cents each per New Share. The issue price is payable in full on application.

If all Shareholders take up their Entitlement under the Entitlement Offer, up to 386,395,872 New Shares will be issued and the Company will raise approximately \$1.54 million before costs. The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form.

The Entitlement Offer is not underwritten.

The New Shares will be fully paid and will rank equally with the Company's existing issued Shares.

### 1.2 Key dates

The Entitlement Offer is open for acceptance until 5.00 pm (AWST) on the Closing Date or such other date as the Directors shall determine, subject to the Listing Rules. Other key dates for the Entitlement Offer are as follows:

Event	Date
Entitlement Offer announced via ASX and application for quotation (Appendix 3B) Letter to unlisted option holders	29 December 2015
Letter to eligible and excluded shareholders	30 December 2015
Shares quoted on an "ex" basis	31 December 2015
Record Date to identify Shareholders entitled to participate in issue	5 January 2016
Offer Document lodged with ASX Offer Document and Entitlement and Acceptance Forms despatched to Eligible Shareholders	7 January 2016
Last day to extend the Entitlement Offer closing date	13 January 2016
Closing Date for acceptance and payment	18 January 2016
Securities quoted on a deferred settlement basis.	19 January 2016
Entity notifies ASX of under subscriptions	No later than 21 January 2016
Issue of New Shares	22 January 2016
Despatch of holding statements	22 January 2016
Commencement of trading of New Shares	25 January 2016
Placement of shortfall shares	18 April 2016

The timetable outlined above is indicative only and subject to change. The Directors, reserve the right to vary these dates, including the Closing Date, without prior notice but subject to the

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Corporations Act and the Listing Rules. The Directors also reserve the right not to proceed with the whole or part of the Entitlement Offer at any time prior to allotment. In that event, Application Money will be returned without interest. See Section 1.7 for further details.

### 1.3 Use of proceeds and effect of the Entitlement Offer on the Company

The immediate financial effect of the Entitlement Offer on the Company will be to increase cash reserves by approximately \$1.54 million (before costs), should all shareholders participate in the Entitlement Offer. As at 30 November 2015, the Company's unaudited cash and cash equivalents totalled \$0.7 million with the Company receiving an R&D Rebate of \$0.4 million during December. There has also been no material change in liabilities since the November 2015 unaudited trade creditors of \$0.5 million.

The Company has received consistent investor feedback that a simplified corporate structure would allow for the true value of the Chilalo project to be realised and would support fund raising initiatives for the development of Chilalo. IMX's multi-commodity asset portfolio, which includes the Chilalo Project, the Ntaka Hill Nickel Project and gold exploration prospects at Kishugu and Naujombo, is seen as overcomplicated and is considered by market participants to be sub-optimal.

As a consequence, the IMX Board has taken the decision to move ahead with a demerger of Chilalo into a new listed company as part of a restructure that would result in the creation of two distinct companies ('Proposed Restructure'):

- a graphite company committed to fast tracking Chilalo towards production, with an immediate priority on completing offtake and financing agreements and a Definitive Feasibility Study; and
- a base and precious metals company with a controlling 70% interest in the substantial Ntaka Hill nickel project and the exciting early stage gold and nickel exploration targets.

The Company will use the proceeds from the Entitlement Offer to continue marketing the Chilalo Graphite Project in order to secure binding offtake and financing agreements, to meet tenement holding costs, proceed with the Proposed Restructure and on administration and corporate expenses.

The above use of funds is a statement of the Board's current intentions as at the date of this Offer Document. However, Shareholders should note that, as with any budget, the allocation of funds may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

As the Entitlement Offer is not underwritten, the allocation of the funds raised will depend on the level of acceptances and the amount of Application Monies received. The Company will need to consider alternative methods of raising funds should it not raise the full amount under the Entitlement Offer.

The principal effect of the Entitlement Offer (if fully subscribed) on the Company's capital structure will be to increase the total number of issued Shares to a maximum of 1,545,583,489 Shares. The following table sets out the number of issued Shares at the date of the Entitlement Offer and the total number of issued Shares at the close of the Entitlement Offer based on the maximum number of New Shares that may be issued under the Entitlement Offer:

Shares	Number
Issued Shares as at the date of this document	1,159,187,617

Shares	Number
Maximum number of New Shares that may be issued pursuant to the Entitlement Offer <sup>1</sup>	386,395,872
Maximum number of issued Shares upon completion of the Entitlement Offer <sup>2</sup>	1,545,583,489

Notes:

<sup>1</sup>The number of New Shares to be issued assumes that no options or performance rights currently on issue are exercised or converted prior to the Record Date.

<sup>2</sup>Assumes that the Entitlement Offer is fully subscribed and that no options or performance rights currently on issue are exercised or converted prior to the Record Date.

In addition to Shares, the Company also has on issue the following securities. The Company is not anticipating any of these is exercised prior to the Record Date.

- (a) 64,562,299 unlisted options;
- (b) 3,264,065 performance rights; and
- (c) 29,654,100 share appreciation rights.

Details of the effect of the Entitlement Offer on control of the Company are set out in Section 1.10.

#### 1.4 Entitlements

Each Eligible Shareholder who is registered as the holder of Shares at 5.00 pm (AWST) on the Record Date is entitled to participate in the Entitlement Offer. The number of New Shares to which you are entitled is shown on your Entitlement and Acceptance Form accompanying this Offer Document.

You may accept all, or only part, of your Entitlement by completing the Entitlement and Acceptance Form and returning it in accordance with the instructions set out on the reverse of that form prior to the Closing Date. If you decide not to accept all or part of your Entitlement or fail to do so by the Closing Date, your rights to participate in the Entitlement Offer will lapse and the New Shares not taken up by you will form part of the Shortfall. If your acceptance exceeds your Entitlement as shown on the Entitlement and Acceptance Form, any excess will be deemed to be an application for additional New Shares under the Shortfall Offer.

As a result of this Entitlement Offer, Shareholders who do not take up all of their Entitlement will have their percentage shareholding in the Company diluted.

In determining Entitlements, any fractional entitlements have been rounded up to the nearest whole number of Shares.

It is the responsibility of Applicants to determine their allocation prior to trading in the New Shares. The sale by Applicants of New Shares prior to the receipt of a holding statement is at the Applicant's own risk.

#### 1.5 No rights trading

The rights to New Shares under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on the ASX and you may not dispose of your rights to subscribe for New Shares under the Entitlement Offer to any other party. If you do not take up your Entitlement to New Shares under the Entitlement Offer by the Closing Date, the Entitlement Offer to you will lapse.

#### 1.6 ASX listing

The Company has made an application to ASX for Official Quotation of the New Shares. If ASX does not grant quotation for the New Shares, the Company will not allot any New Shares and all Application Money will be refunded without interest.

The fact that ASX may grant Official Quotation of the New Shares is not to be taken in any way as an indication of the merits of the Entitlement Offer or the New Shares under this Offer Document.

#### **1.7 Refund of Application Money**

Application Monies will be held in a subscription account established and held by the Company on behalf of each Eligible Shareholder until the New Shares are issued. If necessary, Application Money will be refunded as soon as reasonably practicable, without interest. Interest earned on any Application Money will be for the benefit of the Company and will be retained by the Company regardless of whether New Shares are issued under the Entitlement Offer.

#### **1.8 Shortfall**

If you do not wish to take up any part of your Entitlement under the Entitlement Offer, you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall and will be dealt with in accordance with this Section 1.8.

Subject to any restrictions imposed by law, Eligible Shareholders who have subscribed for their Entitlements in full may apply for additional New Shares under the Shortfall Offer (**Shortfall Shares**). For instructions on how to apply for Shortfall Shares please refer to Section 2.4.

Shortfall Shares will be issued to Eligible Shareholders at the discretion of the Directors. Therefore, the Directors cannot guarantee that your Application for Shortfall Shares will be successful. The Directors reserve the right to allot to an Application a lesser number of Shortfall Shares than the number for which the Applicant applies, or to reject an Application or to not proceed with the placing of the Shortfall Shares. If the number of Shortfall Shares allotted is fewer than the number applied for, surplus Application Monies will be refunded in full without interest in accordance with the Corporations Act.

Subject to the Corporations Act and the Listing Rules, the Directors reserve the right to deal with the Shortfall Shares which are not taken up by Eligible Shareholders under the Entitlement Offer within 3 months after the Closing Date, including by inviting persons to apply for the Shortfall Shares. Such Shortfall Shares will only be issued at an issue price that is not less than the issue price offered to Eligible Shareholders under the Offer Document and will not be issued to the Directors or to related parties (or their associates).

#### **1.9 Excluded Shareholders**

The Company will not make the Entitlement Offer to Shareholders with a registered address outside Australia and New Zealand (**Excluded Shareholders**). The Company has decided that it is unreasonable to extend the Entitlement Offer to Excluded Shareholders having regard to:

- (a) the number of Shareholders outside Australia and New Zealand;
- (b) the number and value of New Shares that would be offered to Shareholders outside of Australia and New Zealand; and
- (c) the cost of complying with the legal requirements, and requirements of regulatory authorities, in the overseas jurisdictions.

Accordingly, the Entitlement Offer will not be extended to Excluded Shareholders.

The Company reserves the right in its absolute discretion to offer the Entitlement Offer to a Shareholder with an address in the Company's share register outside Australia or New Zealand if the Company is satisfied that it is not precluded from lawfully issuing New Shares to that Shareholder either unconditionally or after compliance with conditions which the Directors in their sole discretion regard as acceptable.

### 1.10 Effect on control

The potential effect that the issue of New Shares will have on the control of the Company, and the consequences of that effect, will depend on a number of factors, including investor demand for New Shares. However, given the structure of the Entitlement Offer as a pro rata issue, the potential effect that the issue of the New Shares will have on the control of the Company is as follows:

- (a) if all Eligible Shareholders take up their entitlements under the Entitlement Offer, the Entitlement Offer will have no significant effect on the control of the Company;
- (b) if some Eligible Shareholders do not take up their entitlements under the Entitlement Offer then the interests of those Eligible Shareholders will be diluted;
- (c) the proportional interests of shareholders with an address outside of Australia and New Zealand will be diluted because such shareholders are not entitled to participate in the Entitlement Offer;
- (d) although the issue of New Shares which are not taken up by Eligible Shareholders under the Entitlement Offer may increase the voting power of the investors who may be allocated New Shares via the shortfall process, it is not expected to have any material effect on the control of the Company.

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted by approximately 25% (as compared to their holdings and number of Shares on issue prior to the Entitlement Offer, as at the date of this Offer Document).

Examples of how the dilution may impact Shareholders, based on the issued share capital as at the date of this Offer Document, are set out in the table below:

Holder	Holding as at Record Date	% holding as at Record Date	% holding if Entitlements not taken up
Shareholder 1	50,000,000	4.31	3.24
Shareholder 2	25,000,000	2.16	1.62
Shareholder 3	10,000,000	0.86	0.65
Shareholder 4	5,000,000	0.43	0.32
Shareholder 5	100,000	0.009	0.006

### 1.11 Directors interests and participation

Each Director's relevant interest in the securities of the Company at the date of this Entitlement Offer Document and their Entitlement is set out in the table below.

Director	Shares	Voting power	Entitlement	\$
Derek Fisher	450,369 <sup>1</sup>	0.0%	150,123	600.49
Philip Hoskins	6,856,034	0.6%	2,285,345	9,141.38
Nick Corlis	2,599,845	0.2%	866,615	3,466.46
Bruce McFadzean	3,500,000	0.3%	1,166,667	4,666.67

(1) Derek Fisher has 9,166,667 shares yet to be issued that are subject to shareholder approval.

(2) Each of the Directors have advised they or their related entities intend to take up their Entitlements in full.

#### **1.12 Market prices for Shares on ASX**

The lowest and highest market prices of the Shares of the Company on ASX during the 3 months immediately preceding the date of this Offer Document were \$0.006 and \$0.009 respectively.

#### **1.13 Notice to nominees and custodians**

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an entitlement under the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

#### **1.14 CHESS**

The Company is a participant in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares allotted to them under this Offer Document. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

#### **1.15 Enquiries**

If you have any enquiries in relation to the Entitlement and Acceptance Form or your Entitlement, please contact the Company Secretary by telephone on +61 8 9388 7877 or consult your professional adviser.

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## **2. Actions required by Shareholders**

Acceptance of the Entitlement Offer must be made by Eligible Shareholders on the Entitlement and Acceptance Form accompanying this Offer Document. The Directors reserve the right to reject any applications for New Shares that are not made in accordance with the terms of this Offer Document or the instructions on the Entitlement and Acceptance Form.

### **2.1 Taking up all of your Entitlement**

If you wish to take up all of your Entitlement, complete the Entitlement and Acceptance Form in accordance with the instructions set out on the reverse of that form and arrange for payment of the Application Money in accordance with Section 2.5.

### **2.2 Allow all or part of your Entitlement to lapse**

If you decide not to accept all or part of your Entitlement to New Shares, or fail to accept by the Closing Date, your Entitlement will lapse. The New Shares not subscribed for will form part of the Shortfall.

If you do nothing, although you will continue to own the same number of Shares, your shareholding in IMX will be diluted.

As the Entitlement Offer is non-renounceable, you will not receive any payment for Entitlements you do not take up.

### **2.3 Taking up part of your Entitlement and allowing the balance to lapse**

If you wish to take up part of your Entitlement under the Entitlement Offer and allow the balance to lapse, please complete the Entitlement and Acceptance Form for the number of New Shares you wish to take up in accordance with the instructions set out on the reverse of that form and arrange for payment of the applicable amount of Application Money in accordance with Section 2.5.

### **2.4 Applying for Shortfall Shares**

Subject to any restrictions imposed by law, Eligible Shareholders who have subscribed for their Entitlements in full may apply for additional New Shares under the Shortfall Offer by completing the section of the Entitlement and Acceptance Form entitled "Shortfall Shares" in accordance with the instructions set out on the reverse of that form.

### **2.5 Payment and return of Entitlement and Acceptance Form**

You may pay the Application Money by BPAY<sup>®</sup>, cheque, money order or bank draft.

#### **Payment by BPAY<sup>®</sup>**

Those who elect to pay by BPAY<sup>®</sup> must follow the instructions for BPAY<sup>®</sup> described in the Entitlement and Acceptance Form (which includes the biller code and your unique customer reference number). Please note that should you choose to pay by BPAY<sup>®</sup> payment:

- (a) you do **not** need to submit the personalised Entitlement and Acceptance Form but are taken to make the statements on that form; and
- (b) if you do **not** pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Money.

Applicants should be aware that their own financial institution may implement earlier cut off times with respect to electronic payment, and should therefore take this into consideration when making payment. It is the responsibility of the applicant to ensure that funds submitted through BPAY<sup>®</sup> must be received by no later than 2.00 pm (AWST) on the Closing Date.

### **Payment by cheque, money order or bank draft**

Those who elect to pay by cheque, money order or bank draft must follow the instructions described in the Entitlement and Acceptance Form. You must ensure that:

- (a) your Entitlement and Acceptance Form is complete;
- (b) your cheque, money order or bank draft for the applicable amount of Application Money must be made in Australian currency, drawn on an Australian branch of a financial institution, be made payable to "IMX Resources Limited" and crossed "Not Negotiable";
- (c) your completed Entitlement and Acceptance Form and cheque, money order or bank draft are received by the Company's Share Registry by no later than 5.00 pm (AWST) on the Closing Date at:  
Computershare Investor Services Pty Limited  
GPO BOX 505 Melbourne Victoria 3001 Australia

### **2.6 Implications of acceptance**

Returning a completed Entitlement and Acceptance Form or paying any Application Monies by BPAY will be taken to constitute a representation by you that:

- (a) you have received a copy of this Offer Document and the accompanying Entitlement and Acceptance Form, and read them both in their entirety; and
- (b) you acknowledge that once the Entitlement and Acceptance Form is returned, or a BPAY® payment instruction is given in relation to any Application Monies, the Application may not be varied or withdrawn except as required by law.



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### 3. Risk factors

The Shares offered under this Offer Document should be considered speculative because of the nature of the Company's business.

Activities in the Company and its controlled entities, as in any business, are subject to risks which may impact on the Company's future performance.

Prior to deciding whether to take up their Entitlement, Shareholders should read the entire Offer Document and review announcements made by the Company to ASX (at [www.asx.com.au](http://www.asx.com.au) under the code IXR) in order to gain an appreciation of the Company, its activities, operations, financial position and prospects.

Shareholders should also consider the following summary risk factors which the Directors believe represent some of the general and specific risks that Shareholders should be aware of when evaluating the Company and deciding whether to increase their shareholding in the Company. The following risk factors are not intended to be an exhaustive list of all of the risk factors to which the Company is exposed.

#### **Termite Administration**

On 18 June 2014, the Company announced the appointment of voluntary administrators to Termite Resources NL (**Termite**). Termite is wholly owned by an incorporated joint venture entity in which the Company holds a 51% interest. Termite holds the joint venture's interests in the Cairn Hill iron ore mine, located 55 kilometres south-west of Cooper Pedy in South Australia.

IMX invested approximately \$21 million into developing the Cairn Hill mine by way of loans to Termite. These loans have been satisfied over the past 4 years, partially from funds advanced by joint venture partner Taifeng Yuanchuang International Development in 2010 and partially by distributions made by Termite. The Company believes that at all points in time, Termite was able to pay its debts as and when these fell due for payment. Termite was placed in administration when it became apparent that declining ore prices and unfavourable foreign exchange movements at some future point in time, prevent Termite from continuing to incur and then meet its debts as and when they fall due.

The first meeting of Termite creditors was held on 30 June 2014. The Voluntary Administrator's final report to creditors was issued on 4 September 2014 and the second meeting of creditors took place on 15 September 2014, at which creditors voted to place Termite in liquidation. As an ordinary information gathering process, certain former directors and officers of Termite (some of whom are also IMX directors and officers) were examined by liquidators about the affairs of Termite.

As announced to ASX on 21 September 2015, a letter of demand was received from the liquidators of Termite, which provides notice of a potential claim against directors and officers of Termite, as well as against the Company itself. The quantum of the potential claim is put in the alternative as the amount of the unsatisfied liabilities to unsecured creditors at the date of administration (mostly made up of damages claims from long term logistics creditors for early termination of their contracts on appointment of the administrators) said to be estimated at \$75 million, alternatively about \$46 million plus interest, being the amount repaid by Termite to Outback. IMX maintains that the potential claim by the liquidators has no basis and legal counsel remains of the view that the claim, as presently understood, is more likely to fail than succeed.

Termite's insurer has been notified and reimbursed the respective directors and officers for legal costs incurred to date. There is a risk that the Company will be pursued as a defendant. If that event materialises, the Company may incur out of pocket legal expenses that may materially affect its activities and financial position.

#### **Future capital requirements**

The Company has finite financial resources and no cash flow from producing assets and therefore will require additional financing in order to meet its minimum expenditure

commitments for its tenements and implement its strategy as previously disclosed.

The Company will require further financing in the future, in addition to amounts raised pursuant to the Entitlement Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price (or Entitlement Offer price) or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.

The Company may undertake additional offerings of Shares and of securities convertible into Shares in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of the Company's existing shareholders will be diluted.

#### **Litigation risk**

The Company is subject to litigation risks. All industries, including the minerals exploration industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit.

Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company is or may become subject could have a material effect on its financial position, results of operations or the Company's activities.

#### **Exploration, development, mining and processing risks**

The exploration licences of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings. There can be no assurance that exploration of these licences, or any other licences that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a wide range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, tribal and traditional ownership processes, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend on the Company having access to sufficient development capital to allow for progressing exploration opportunities towards mining operations, being able to maintain title to its licences and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful, this could lead to a diminution in the value of the licences, a reduction in the base reserves of the Company and possible relinquishment of the licences.

Each of the Company's mining licences and permits are for a specific term and carry with them annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in these tenements if licence conditions are not met or insufficient funds are available to meet expenditure commitments.

The exploration costs of the Company are based on certain assumptions with respect to method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost

estimates and the underlying assumptions will be realised in practice, which may materially affect the Company's viability.

#### **Logistics and infrastructure**

The Company's exploration projects in Tanzania are subject to logistical risk of a long supply line and lack of nearby engineering and other support facilities. They are located in remote areas of southern Tanzania which lack basic infrastructure, including sources of power, water, housing, food and transport.

Owing to a shortage of skilled local personnel, the Company engages expatriate workers to perform certain functions in Tanzania. In order to develop any of its exploration properties, the Company will need to establish the facilities and material necessary to support operations in the remote locations in which they are situated. The remoteness of the properties will also affect the potential viability of mining operations, as the Company will also need to establish more significant sources of power, water, physical plant and transport infrastructure in the area. The lack of availability of such sources may adversely affect mining feasibility and may, in any event, require the Company to arrange significant financing, locate adequate supplies and obtain necessary approvals from national regional governments, none of which can be assured.

#### **Key personnel**

Recruiting and retaining qualified personnel are important to the Company's success. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons is strong. There can be no assurance given that there will be no detrimental impact on the Company if one or more Directors leave the Company.

#### **Joint Venture Parties, Agents and Contractors**

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party. Further, the Company is unable to predict the risk of insolvency or managerial failure by any of the contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity. The effects of such failures may have an adverse effect on the Company's operations.

#### **Country Risk**

The Company holds assets located in Tanzania and Canada and may acquire assets in foreign countries in the future. There are risks associated with exploration and mining activities and investments generally in foreign countries that may adversely affect the business, costs, expenditure and profitability of the Company. These risks include without limitation:

- (a) changes in foreign country government, government policies, regulatory regime, economic change, civil instability and attitudes towards foreigners or their businesses;
- (b) land access and environmental regulation may be adverse or beneficial; and
- (c) the applicable legal regime including investment into and repatriation of revenue out of the foreign country.

Failure to comply strictly with applicable laws, regulations and local practices could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

### **No minimum subscription**

There is no minimum subscription under the Entitlement Offer. As such, there is no guarantee that the Company will raise sufficient funds to enable the development of the Company's projects and there may be restrictions of the financing and operating activities of the Company. Further, the Company may be required to reduce the scope of its operations or anticipated expansion and it may affect the Company's ability to continue as a going concern.

### **Stock market conditions**

As with all stock market investments, there are risks associated with an investment in the Company. Share prices may rise or fall and the price of Shares might trade below or above the issue price for the New Shares.

General factors that may affect the market price of Shares include without limitation economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

### **Commodity price volatility and exchange rate risk**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity prices and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand for minerals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, prices of various commodities and services may be denominated in United States dollars or Tanzanian shillings, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar and the Tanzanian shilling and the Australian dollar as determined in international markets.

### **Liquidity risk**

There can be no guarantee that there will continue to be an active market for Shares or that the price of Shares will increase. There may be relatively few buyers or sellers of Shares on ASX at any given time. This may affect the volatility of the market price of Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price paid under the Entitlement Offer.

### **Investment risk**

An investment in New Shares should be considered speculative. New Shares carry no guarantee with respect to the payment of any dividends, returns of capital or the market value of those New Shares.

### **Uninsurable risks**

The Company's business is subject to a number of risks and hazards generally, including without limitation, adverse environmental conditions, industrial accidents, labour disputes, civil unrest and political instability, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in development, monetary losses and possible legal liability. The Company maintains insurance to protect against certain risks in such amounts as it considers reasonable. However, its insurance will not cover all the potential risks associated with its

operations and losses from such events may cause the Company to incur significant costs that could have a material adverse effect upon its performance.

#### **Estimation of Mineral Resources and Ore Resources**

There is a degree of uncertainty to the estimation of Mineral Resources and Ore Reserves and corresponding grades being mined or dedicated to future production. Until Mineral Resources or Ore Reserves are actually mined and processed, the quantity of Mineral Resources and Ore Reserves must be considered as estimates only. In addition, the grade of Mineral Resources and Ore Reserves may vary depending on, among other things, metal prices. Any material change in quantity and grades of Mineral Resources, Ore Reserves, or stripping ratio may affect the economic viability of the properties. In addition, there can be no assurance that metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

Fluctuation in the prices of nickel, base or precious metals and graphite, results of drilling, metallurgical testing and the evaluation of mine plans subsequent to the date of any estimate may require revision of such estimate. Any material reductions in estimates of Mineral Resources and / or Ore Reserves, could have a material adverse effect on the Company's financial condition.

#### **Metallurgical risks**

The economic viability of base metal and gold recovery depends on a number of actors such as the development of an economic process route for metal concentrates. Further, changes in mineralogy may result in inconsistent metal recovery.

#### **Competition risk**

The industry in which the Company is involved is subject to domestic and global competition. Although the Company undertakes all reasonable due diligence in its business decisions and operations, the Company has no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business.

#### **Speculative nature of investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under this document.

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#### **4. Additional information**

##### **4.1 Offer Document not investment advice**

The Offer Document is not a prospectus under the Corporations Act and has not been lodged with ASIC. It is also not financial product advice or investment advice nor a recommendation to acquire New Shares. It has been prepared without taking into account your investment objectives, financial circumstances or particular needs. The Company is not licensed to provide financial product advice in respect of the New Shares.

The Offer Document does not purport to contain all the information that you may require to evaluate a possible application for New Shares.

Before deciding whether to take up your entitlements to New Shares, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading the Offer Document, you have any questions about the Entitlement Offer, you should contact your stockbroker, accountant or other independent professional adviser.

##### **4.2 Effects of rounding and warning against share splitting**

All Entitlements will be rounded up to the nearest whole number of New Shares.

If the Company reasonably believes that a Shareholder has been a party to the splitting or division of a shareholding in an attempt to obtain an advantage from the rounding up of Entitlements, then the Company reserves the right to round the Entitlement of such holdings so as to provide only the number of New Shares that would have been received but for the splitting or division.

##### **4.3 Tax**

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares under the Offer. The Company does not accept any responsibility in this regard, and Shareholders should consult with their professional tax adviser.

##### **4.4 Privacy**

The Entitlement and Acceptance Form requires you to provide information that may be personal information for the purpose of the Privacy Act 1988 (Cth). The Company (and the Share Registry on its behalf) collects, holds and uses personal information in order to assess applications for New Shares, service the needs of Shareholders, provide facilities and services and to administer the Company.

Access to information may also be provided to the Company's related bodies corporate, agents and service providers, regulatory bodies, mail houses and the Share Registry.

If you do not provide the information requested of you in the Entitlement and Acceptance Form, the Share Registry will not be able to process your application for New Shares or administer your holding of Shares appropriately.

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5. **Glossary**

In this Offer Document:

**\$** means Australian dollars, unless otherwise specified.

**Applicant** means a person who has applied to subscribe for New Shares by submitting an Entitlement and Acceptance Form.

**Application Money** means the aggregate amount of money payable for New Shares applied for in a duly completed Entitlement and Acceptance Form.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited ACN 008 624 691 trading as the Australian Securities Exchange.

**AWST** means Australian Western Standard Time.

**Closing Date** the last day for payment and return of Entitlement and Acceptance Forms, being 5.00 pm (AWST), 18 January 2016.

**Company Secretary** means the company secretary of the Company.

**Directors** means the directors of the Company.

**Eligible Shareholder** means a Shareholder at the Record Date who is not an Excluded Shareholder.

**Entitlement** means the number of New Shares that a Shareholder is entitled to apply for under the Entitlement Offer, as determined by the number of Shares held by that Shareholder on the Record Date.

**Entitlement and Acceptance Form** means the Entitlement and Acceptance Form accompanying this Offer Document.

**Excluded Shareholder** means a Shareholder as at the Record Date whose registered address is not situated in Australia or New Zealand.

**Listing Rules** means the official listing rules of ASX.

**IMX or Company** means IMX Resources Limited ACN 009 129 560.

**New Share** means a new Share to be issued under the Entitlement Offer.

**Official Quotation** means "quotation" (as that term is used in the Listing Rules) of all of the New Shares on ASX when allotted which if conditional may only be conditional on customary pre-quotation conditions.

**Record Date** means 5 January 2016 or such other date as may be determined by the Directors.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of Shares.

**Share Registry** means Computershare Limited ACN 005 485 825.

**Shortfall** means the number of New Shares offered under the Entitlement Offer for which valid applications have not been received from Eligible Shareholders before the Closing Date.

**Shortfall Offer** means the offer of the Shortfall on the terms and conditions set out in Section 1.8.