EL 46/2006 'Smithton'
Annual Report for the Period
9th July 2007 to 9th July 2008.

Volume 1 of 1

Holder/ Operator:	**IMX Resources N.L.** **(formerly Goldstream Mining N.L.)** **Level 2, Unit 18, 100 Railway road** **Subiaco WA 6008**
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ABSTRACT

EL 46/2006 is considered to have potential for Ni-Cu sulfide mineralisation in subvolcanic basic-ultrabasic intrusions. Magnetic highs are prominent in the Forest and South Forest areas, but due to a thin cover of Tertiary basalts, it is not possible to determine the origin of the magnetic highs by direct observation or sampling.

A small part of the tenement was covered by an EM (VTEM) survey, but no strong conductors were located, and further exploration within the tenement depends on results in EL48/2006 to the south.

KEYWORDS

Tasmania North West, Smithton, EM(VTEM) Survey, magnetics, geochemistry, Ni-Cu sulfide mineralisation

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EL46_2006_2007_A_01_ReportBody.pdf

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1.0 INTRODUCTION

The Rocky Cape region of northwest Tasmania consists of thick, essentially unmetamorphosed deformed Neoproterozoic sedimentary and volcanic successions (Calver 1998). The oldest exposed succession consists of orthoquartzites, siltstone and minor carbonate (the Rocky Cape Group) that underlies the Togari Group. The Rocky Cape Group is younger than 1200Ma. An angular unconformity separates the Rocky Cape Group from the Togari Group which occupies the Smithton Synclinorium in far northwest Tasmania... The Togari Group (Everard et al. 1996) consists of siliciclastics (Forest Conglomerate), a carbonate -chert-shale unit (Black River Dolomite) dated at 750-650 Ma, rift tholeiites and associated volcaniclastics (Kanunnah Subgroup) and dolostone (Smithton Dolomite) dated at 580-545 Ma. The Smithton Dolomite is overlain by Middle to Late Cambrian sandstone and shale, the Scopus Formation. On older maps e.g. the 1: 50 000 SMITHTON sheet all carbonates and dolostones are shown as Smithton Dolomite.

Dolerite dykes dated at 600-588 Ma and differentiated basic- ultrabasic intrusions related to the tholeiitic sequence were emplaced into the sequence below the Kununnah Group. The Proterozoic- Palaeozoic sequence is locally overlain by Tertiary basalts occurring mainly as hill cappings. Basalt compositions range from basanite through alkali olivine basalts to tholeiites. For a recent account of the Smithton Basin geology see Everard et al. (2007)

Mafic-ultramafic intrusions- shown on published maps as dolerite- in the South Forest area have been interpreted as feeders to the overlying basaltic volcanic and as possible host rocks for Ni-Cu sulfide mineralisation. Possible sulfur sources for Ni sulfide deposits are present in the Cowrie Siltstone (Rocky Cape Group) and in shales of the Duck River Dolomite.

2.0 TENURE

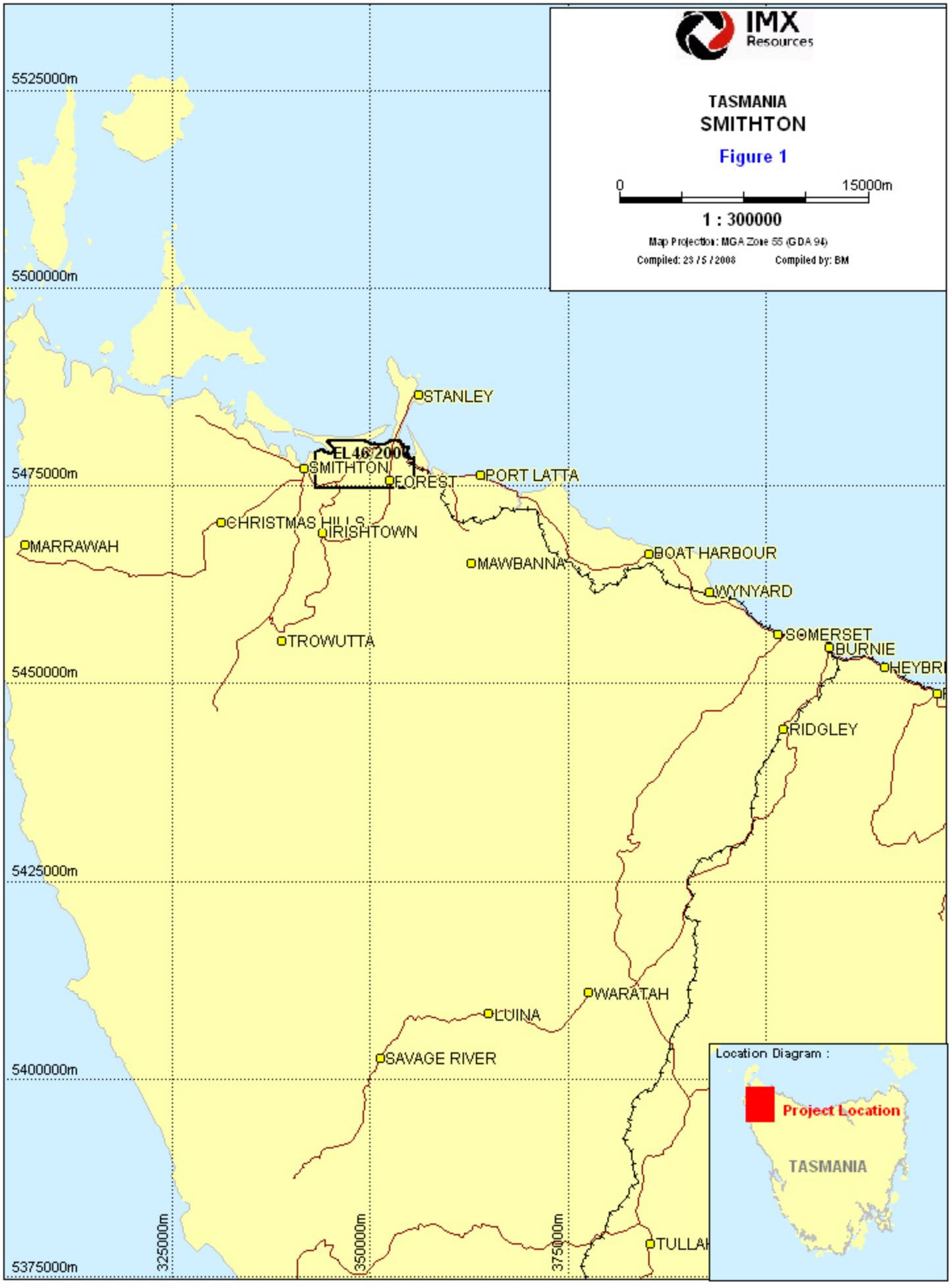
Exploration Licence 46/2006 was granted to Goldstream Mining NL (now IMX Resources NL) and covers an area of approximately 68 km^2 in the Land District of Wellington vicinity of Forrest (9 km east of Smithton) for a term of 5 years from the 10th July 2007.

Table 1 Licence Details

Licence	Granted	Expiry	Year	Area
EL46/2006	10th July 2007	10th July 2012	5	68 km^2

3.0 REVIEW OF PREVIOUS WORK

Very limited work has been carried out in EL 46/2006 as most of the area is farm land, with most attention being on limestone/ dolomite.


IMX Resources
TASMANIA
SMITHTON
Figure 1
0
15000m
1 : 300000
Map Projection: MGA Zone 55 (GDA 94)
Compiled: 23 / 5 / 2008
Compiled by: BM
5525000m
5500000m
5475000m
5450000m
5425000m
5400000m
5375000m
325000m
350000m
375000m
STANLEY
EL46/2006
SMITHTON
FOREST
PORT LATTA
CHRISTMAS HILLS
IRISHTOWN
MARRAWAH
MAWBANNA
BOAT HARBOUR
WYNYARD
SOMERSET
BURNIE
RIDGLEY
TROWUTTA
WARATAH
LUINA
SAVAGE RIVER
TULLAH
Location Diagram :
Project Location
TASMANIA

Australia and New Zealand Exploration Company collected a few stream sediment samples during 1972 as part of their regional sampling program, but no anomalies were located and no follow up carried out. From 1997-2002 Morritt Holdings, Pacific Nevada and Greenstone Resources explored EL11/97 which large overlaps EL 46/2006 for epithermal gold along the Roger River Fault and over siliceous and calcareous spring mounds like Smokers Bank immediately south of Smithton. Exploration methods used were soil and stream sediment sampling and auger drilling of spring mounds, and they detected low level concentrations of elements normally associated with epithermal gold but no significant gold values.

A detailed aeromagnetic survey with 200 m line spacing was flown over the tenement by AGSO/MRT in 1996.

4.0 EXPLORATION COMPLETED DURING THE REPORT PERIOD

Exploration activities during the period included the completion of an airborne EM survey and an open file data review public datasets including EM, magnetics and geochemistry. Topographic and geological maps were purchased and landholder information sourced to enable field activities.

Geotech Airborne Pty Ltd conducted an airborne EM (VTEM) survey on the 5th March to the 11th March 2008 over the South Forest area, but only a small part of the surveyed area of 26.04 line km is within EL46/2006. Principal geophysical sensors included a versatile time domain electromagnetic (VTEM) system and a cesium magnetometer. Ancillary equipment included a GPS navigation system and a radar altimeter.

No ground activities took place as much of the tenement is covered by a thin cap of Tertiary Volcanics that prevents the potentially mineralised sequence from being directly observed and sampled.

5.0 DISCUSSION OF RESULTS

No strong natural conductors were located within EL46/2006 by the VTEM survey and the signals were distorted around an E-W powerlines. Additional processing is in progress. Preliminary draft survey maps are shown in Figure 2-5. Southern Geoscience Consultants (SGC) is processing the results and final data is yet to be receive by the client.

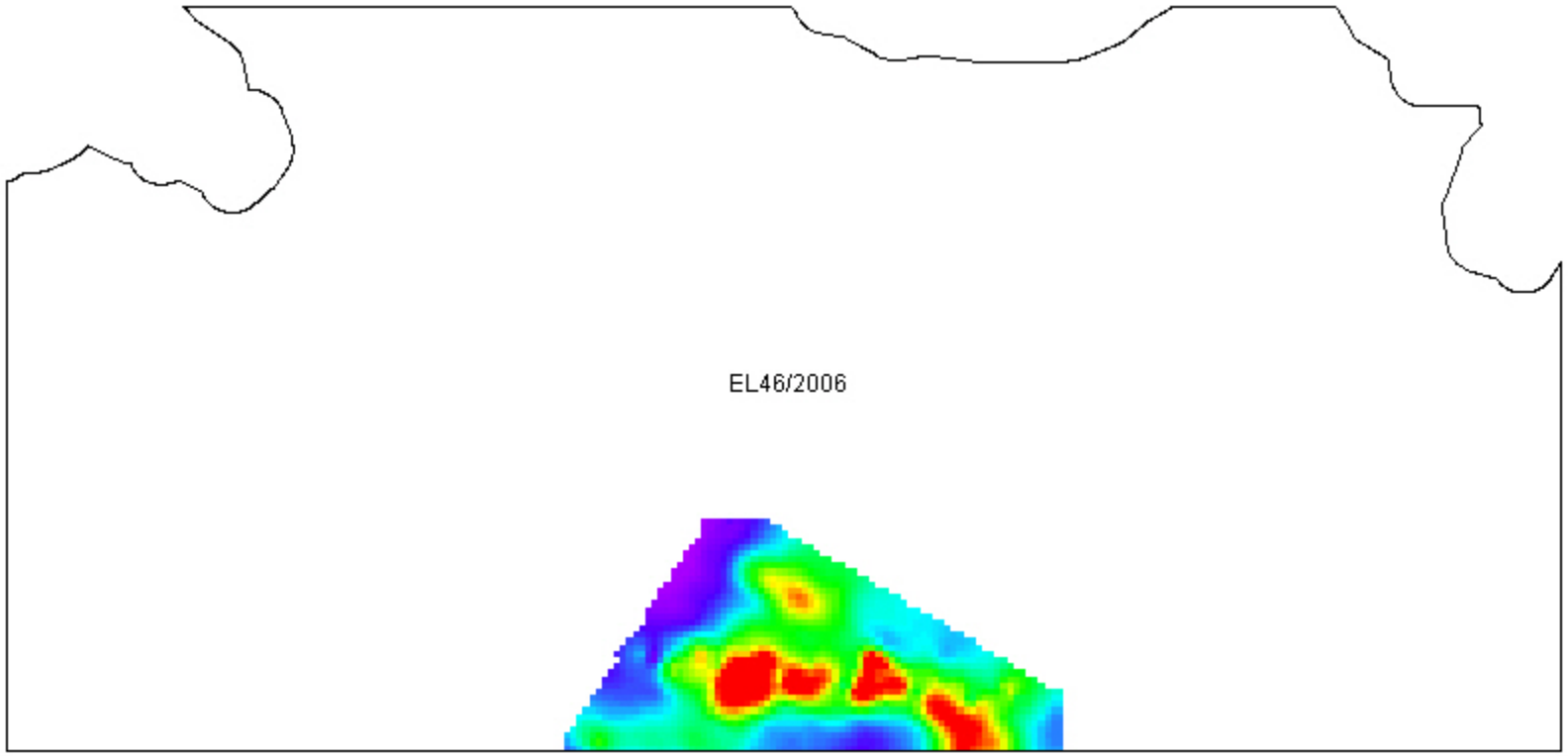
6.0 CONCLUSIONS

A review of the open file aeromagnetic data indicate a large number of magnetic highs in the Forest and South Forest areas. Most of these are likely due to magnetite bearing metabasalts, but some could be caused by subvolcanic intrusions, but due to the cover of Tertiary Volcanics, the origin of most of the magnetic highs cannot be established by surface observations. Further work in EL46/2006 will depend on results in adjacent EL48/ 2006.

Tasmania
EL46/2006
EM(VTEM) CH10
Figure 2

0 3000m

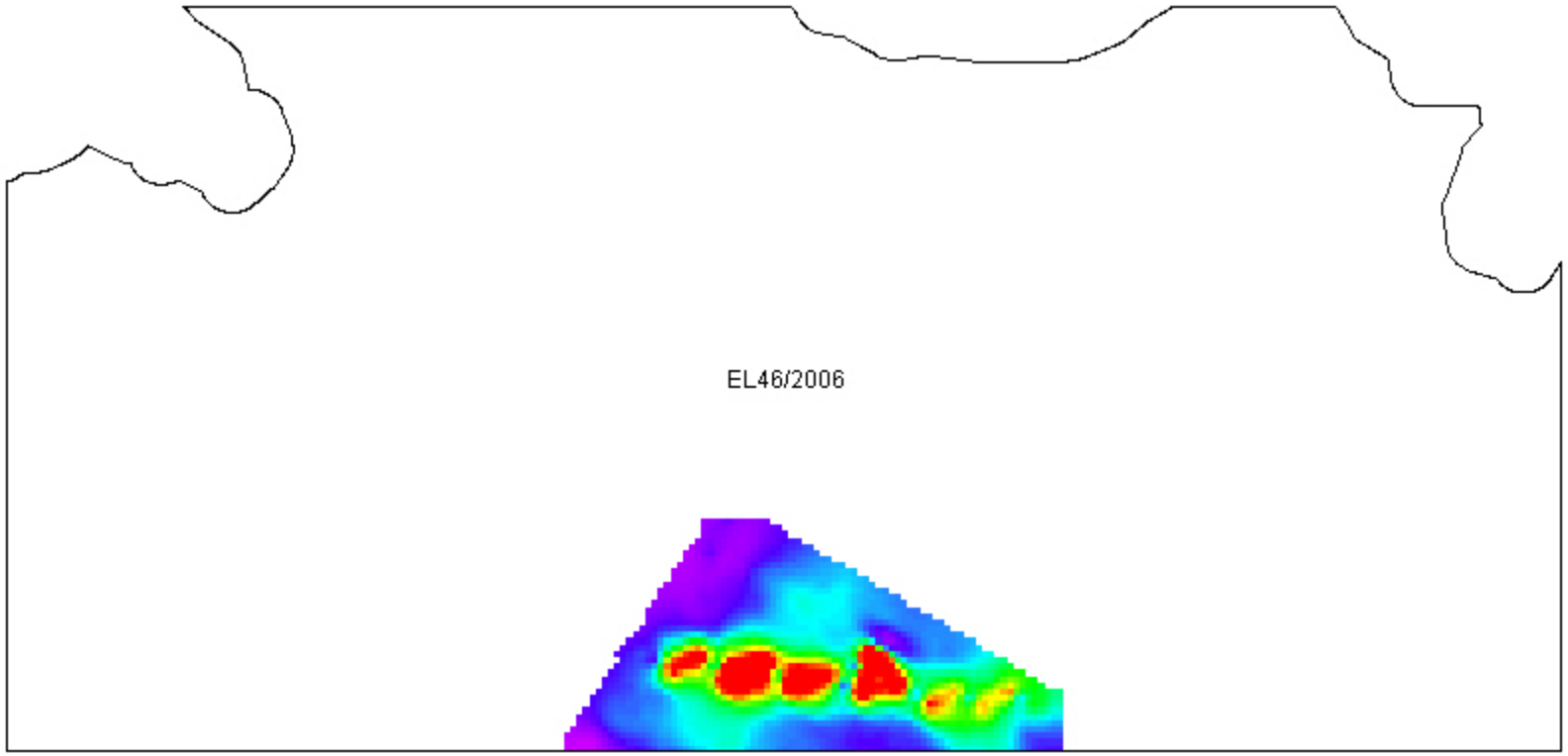
1 : 60000



Tasmania
EL46/2006
EM(VTEM) CH15
Figure 3

0 3000m

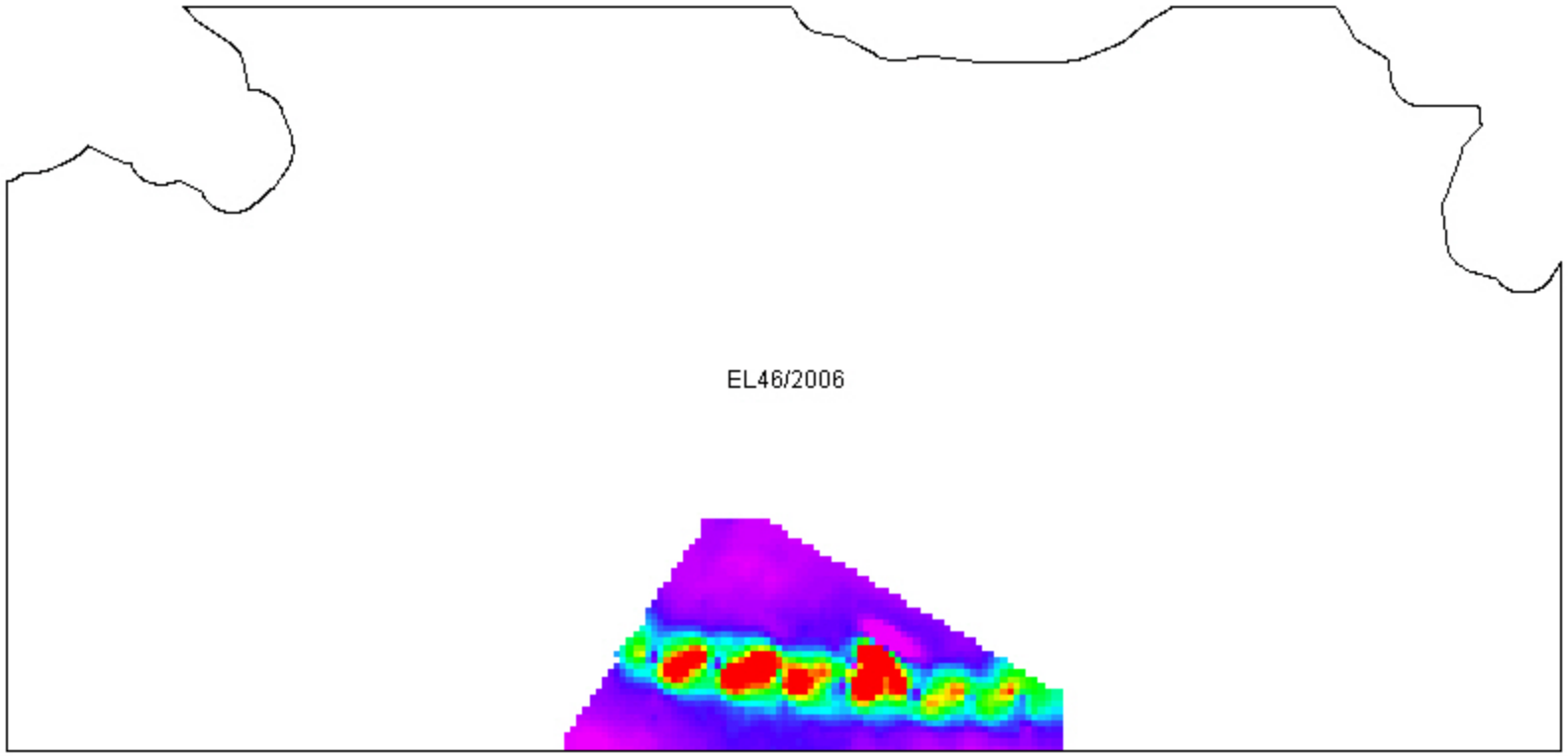
1 : 60000



Tasmania
EL46/2006
EM(VTEM) CH20
Figure 4

0 3000m

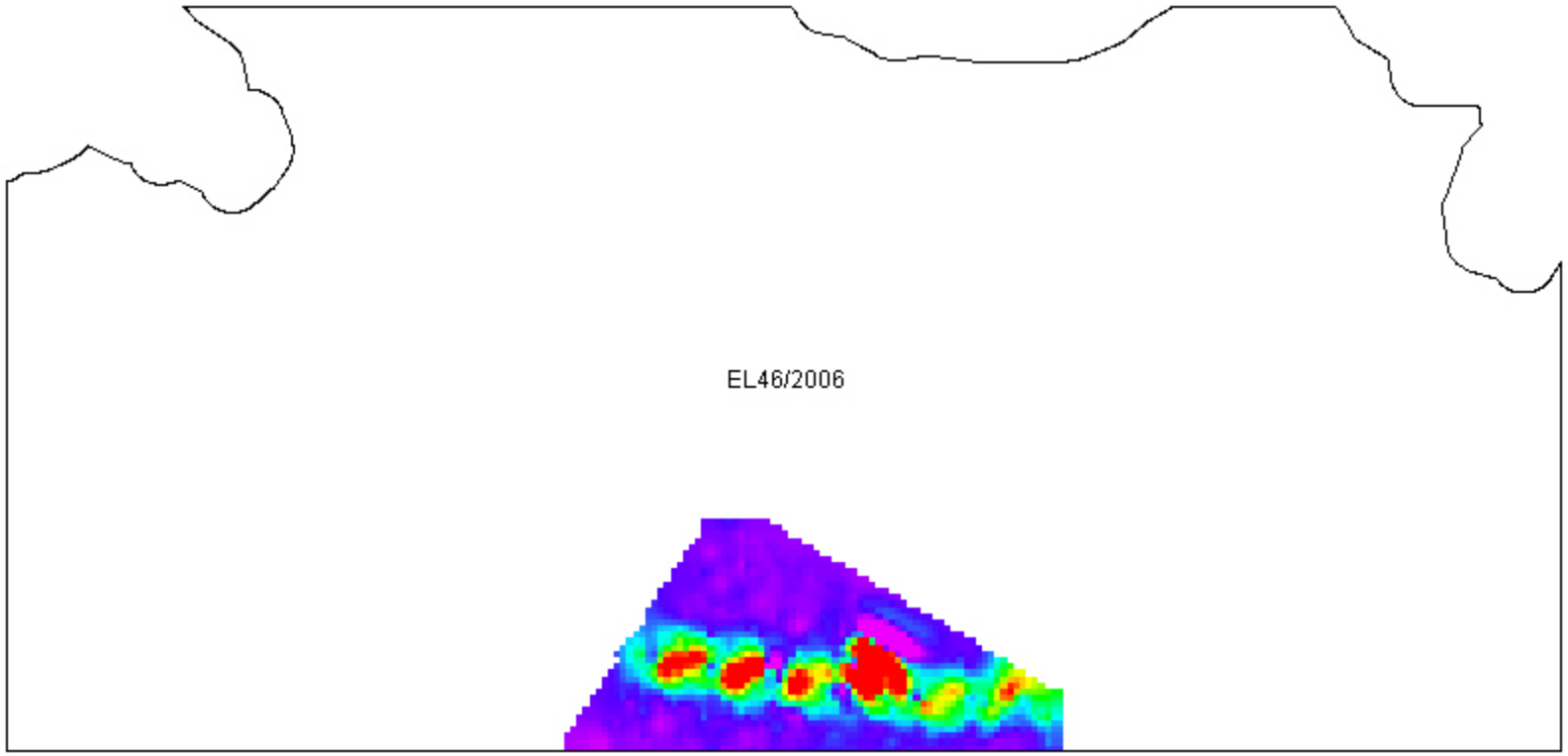
1 : 60000



Tasmania
EL46/2006
EM(VTEM) CH25
Figure 5

0 3000m

1 : 60000



7.0 ENVIRONMENT

No ground exploration activities were conducted during the period.

8.0 EXPENDITURE

Expenditure for Smithton, EL46/2006 for the reporting period ending 9th July 2008 is listed below. This summary includes all expenses accrued up the end of May 2008.

Total expenditure for the reporting period was $ **50,970.30**

Table 2 Expenditure 2007 to 2008.

Item		Amount
Assaying	**$**	**705**
Geological Consultants	**$**	**8,803**
Geophysical Consultants	**$**	**482**
Geochemical Data	**$**	**24,887**
Tenement Administration	**$**	**110**
Tenement Costs	**$**	**1,235**
Communication - Sat Phone	**$**	**25**
Vehicles - Hire	**$**	**468**
Computer Software	**$**	**3,040**
Field Supplies	**$**	**222**
Salaries	**$**	**2,880**
Accommodation	**$**	**400**
Travel	**$**	**1,065**
Overheads (15%)	**$**	**6,648.30**
TOTAL EXPENDITURE	**$**	**50,970.30**

9.0 REFERENCES

Brown, A.V., 1989. Geological Atlas 1: 50 000 Series Sheet 21 Smithton. Explanatory Report Geological Survey Tasmania

Calver, C.R., 1998. Isotope stratigraphy of the Neoproterozoic Togari Group, Tasmania. Aust. Jour. Earth Sci. 45, 865-874.

Everard, J.L., Seymour, D.B., Reed, A.R., McClenaghan, M.P., Green, D.C., Calver, C.R. and Brown, A.V., 2007. Regional geology of the southern Smithton Synclinorium. Explanatory Notes for Roger, Sumac and Dempster 1: 25 000 scale geological map sheets, far north-western Tasmania.