



China can lift stake in miner

SHARES in IMX Resources rose yesterday following China's Sichuan Taifeng receiving Federal Government approval to lift its stake in the emerging miner and invest in its South Australian iron ore, copper and gold mine.

IMX shares closed up 12.8 per cent at 44c.

The Foreign Investment Review Board approval allows IMX to place 21.7 million shares at 48.4c each to Sichuan

Taifeng, raising \$10.5 million and boosting its acquisition in the company to 19.9 per cent.

IMX will also place 7.8 million shares with fellow SA-focused miner OZ Minerals Ltd, maintaining OZ Minerals' original 13 per cent shareholding, and raising another \$3.7 million.

Sichuan Taifeng also has received FIRB approval to take a 49 per cent interest in IMX subsidiary Outback Iron,

which holds the Cairn Hill project in SA, for about \$24 million.

It was not allowed to take a 50 per cent stake in Outback Iron, as originally contemplated.

As the Cairn Hill project lies within the Woomera prohibited area, Department of Defence approval also needs to be provided to Treasurer Wayne Swan.

The department is expected to confirm that land access arrange-

ments do not threaten national security.

The transaction also needs approval from China's National Development and Reform Commission, a state macroeconomic management agency.

The first shipment of magnetite-copper ore from Cairn Hill is expected to be shipped in the fourth quarter of this financial year, said IMX managing director Duncan McBain.