



Friday, 5 October, 2007

InterMet to Investigate Porphyry Copper-Molybdenum Potential at Beaks Mountain

InterMet Resources Queensland Tenement Application

Highlights

- InterMet applied for tenement prospective for porphyry copper-molybdenum
- Visible molybdenum and copper in outcrop
- Porphyry contains abundant pyrite with minor chalcopyrite and molybdenum

InterMet Resources has applied for EPM 16596 comprising 32 blocks in the Beak Mountain area, located approximately 140 km southeast of Townsville (Figure 1). InterMet believes this area is highly prospective for porphyry copper-molybdenum and epithermal gold-silver styles of mineralisation as it covers an area of outcropping felsic plutonic and volcanic rocks.

Commenting on the Beaks Mountain tenement, Managing Director Gary Ferris said “this area has all the right geological criteria to host a porphyry copper-molybdenum deposit and represents a major exploration priority for InterMet. This project together with the recently announced Mundarra copper, gold, iron and base metals project provide InterMet with the start of a developing project portfolio in northern Queensland”.

Porphyry copper-molybdenum deposits are associated with multiple intrusions and dykes of diorite to quartz monzonite composition with porphyritic textures and fractures are often filled or coated by sulphides, or by quartz veins with sulphides.

Approximately 40 km to the south of EPM 16596 Conquest Mining have reported a combined resource of 16 million tonnes at 1.85 g/t gold, 58 g/t silver and 0.33% copper for a contained 931,600 oz of gold, 32 Moz of silver and 524,000 tonnes of copper from the Mount Carlton Project. Located approximately 10 km to the southeast of EPM 16596, the Mount Dillion gold-silver prospect where Cloncurry Metals have reported gold up to 3.55 g/t and silver up to 200 g/t within soil and rock chip samples

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On a recent trip to Queensland, InterMet undertook a quick visit to the area to observe the geology and check access for future sampling programs.

InterMet visited the road aggregate quarry which represents an excellent opportunity to see the subsurface geology of the area (Figure 2; Plate 1). The quarry is within porphyry and contains abundant pyrite which has weathered producing large zones of yellow staining on the walls of the quarry. Rare chalcopyrite and molybdenum was also observed.

A small pit located approximately 2 km north of the quarry also contained visible sulphides and intense zones of sulphide weathering (Plate 2). Approximately 300m from the quarry was a zone of quartz veining with visible molybdenum (Plate 3). Visible copper (malachite) was observed approximately 4 km west of the quarry within highly quartz veined dolerite dykes and diorite (Plate 4).

InterMet will undertake regional sampling programs upon grant of the tenement

The information in this report that relates to Exploration Results is based on information compiled by Mr. Gary Ferris, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. Ferris is the Managing Director of InterMet Resources and has sufficient relevant experience to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Gary Ferris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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Figure 1: Location of EPM 16596.

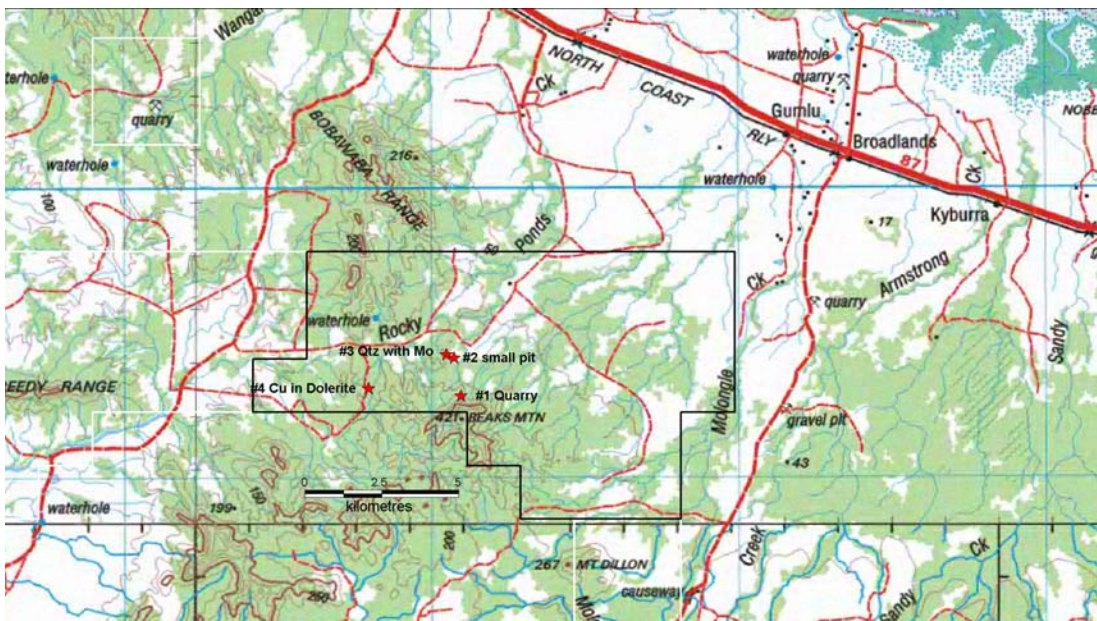


Figure 2: Detailed location plan for EPM 16596 showing sites of interest.



Plate 1: Road aggregate quarry at Beaks Mountain. The faces of the quarry are a yellow colour due to weathering of sulphides.



Plate 2: Evidence of weathered sulphides along fractures within small pit (site 2). The porphyry contains abundant pyrite.



Plate 3: Visible molybdenum within quartz vein (Site 3).



Plate 4: Dolerite dyke extensively quartz veined. The dolerite contains visible copper (Site 4).