



Tuesday, 9 October 2007

InterMet to Investigate Gold-Tin Potential in Northern Queensland

InterMet Resources Applies for Three More Exploration Tenements

Highlights

- InterMet has applied for three more exploration tenements in northern Queensland
- Exploration model focussed on contact aureoles around granites
- InterMet plans to open an Office in Mareeba to service growing Queensland portfolio

The Directors of InterMet Resources (ASX:ITT) are pleased to announce a further expansion of InterMet's tenement portfolio in northern Queensland. InterMet is focussed on discoveries on the highly prospective Gawler Craton in South Australia and has now increased the exploration scope of the Company with the recent acquisition of the Munderra copper, iron, gold and base metals project and the Beaks Mountain copper-molybdenum project announced recently.

EPM Applications

InterMet Resources via a new holding company International Metals (QLD) Pty Ltd has applied for a further three Exploration Permit Minerals (EPM) Applications in northern Queensland to add to EPM 16596 reported to the ASX on Friday 5 October 2007. The new applications are based on exploration models suitable for the geological setting within northern Queensland and will target gold and tin-tungsten within contact zones around regional granites. Details of the four EPM Applications are outlined in the Table below.

EPM Application No.	Project Name	Blocks (size)	Target
16596	Beak Mountain	32	Molybdenum, gold
16742	North Palmer River	13	Gold, tin-tungsten
16743	Font Hills	46	Gold, tin-tungsten
16758	Mt Madden	19	Gold, tin-tungsten

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Exploration Rationale

Recent studies by Geoscience Australia and review of historical data demonstrates that northern Queensland is highly prospective for gold and tin-tungsten deposits associated with Permian granite intrusions. InterMet has selected three areas to test this exploration model. All tenement applications are located within the Hodgkinson Basin.

1. EPM 16742 North Palmer River – Gold

EPM 16742 is located near the Palmer Goldfield in far northern Queensland (Figure 1) and was selected on the basis of the abundance of alluvial gold here and the proximity to the Palmer Gold Field (Figure 2). The Goldfield was discovered in 1873 and total gold production was estimated at 1,334,500oz, mostly from alluvial mining. Many quartz reefs were discovered, the largest being the Anglo-Saxon, where the quartz lode gold was between 300-400ft wide and was worked to a depth of ~600ft. The average grade was 1.64oz/t with high-grade zones up to 78oz/t.

InterMet plans to undertake regional mapping and stream sediment sampling within this area to locate potential buried quartz lodes. This area has not seen company exploration since the 1960's and represents a great opportunity to apply modern exploration techniques within an area near a major gold field (Palmer Goldfield).

2. EPM 16743 Font Hills – Gold, Tin and Tungsten

EPM 16743 contains a contact zone between tin-bearing granite and the Hodgkinson Formation sediments. The zone is evident on the regional aeromagnetic data (Figure 3) and was clearly visible during InterMet's helicopter reconnaissance (Plate 1).

This is a classic setting for Tin-Tungsten and gold deposits in northern Queensland. Plate 2 shows a collage of aerial photographs of the contact zone and also shows a prominent regional shear zone, which is evident on the regional aeromagnetic data (Figure 3; Plate 2) and represents a major target for gold mineralisation.

3. EPM 16758 Mt Madden

EPM 16758 is located in the Mt Madden area approximately 100km north west of Mt Carbine and was selected to explore another granite/sediment contact zone considered by InterMet to be prospective for Tin-Tungsten and gold. The granite-sediment contact is marked by zones of quartz veining within the sediments. Several abandoned tin mines are present within the area, with two mines located within the granite (Granite Plateau No. 1 and 2), and two located along the granite margin (Granite Creek No. 1 and 2; see Figure 4).

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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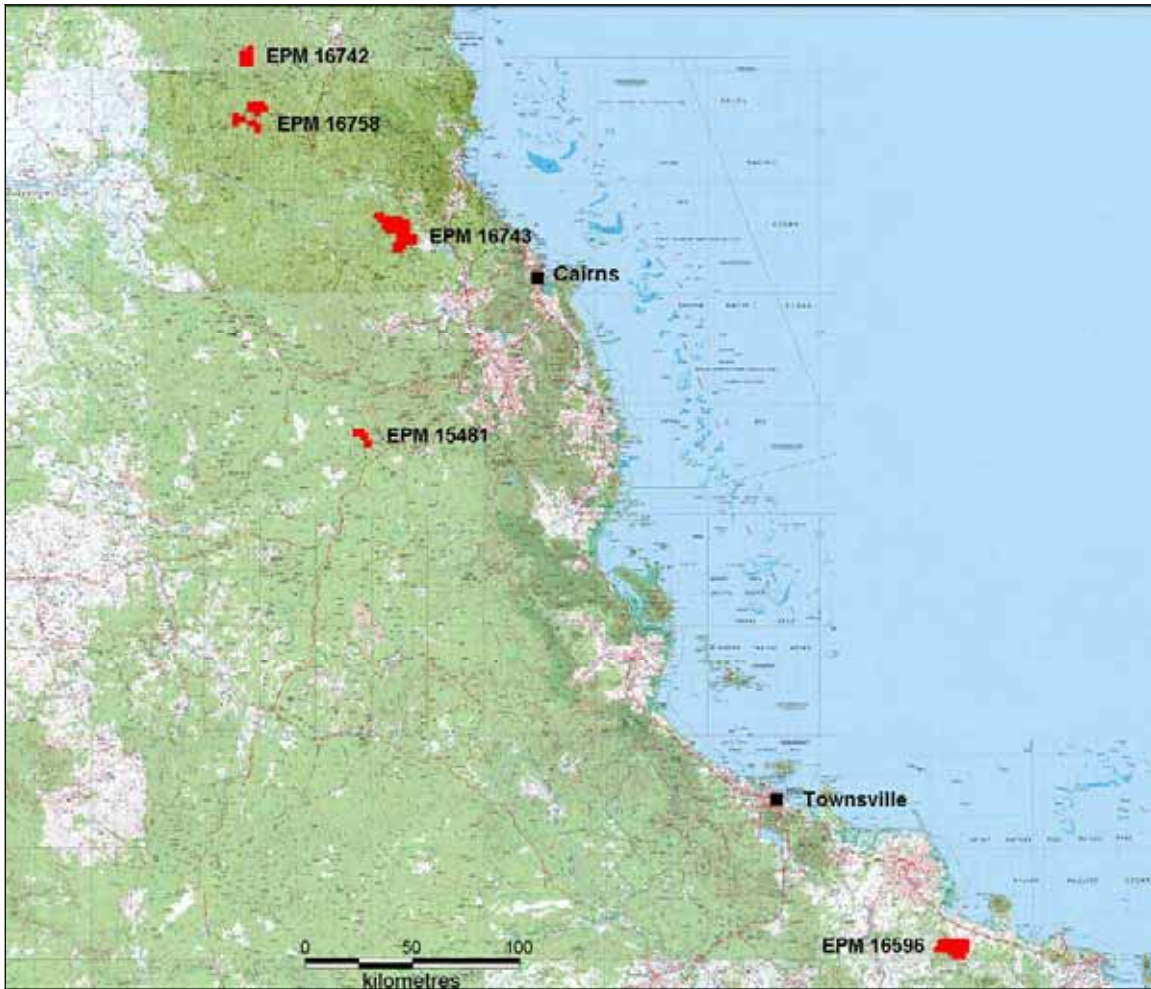


Figure 1: Location of InterMet Resources Projects in Queensland.



Figure 2: Location of EPM 16742.



Plate 1: Contact zone between granite (hills) and sediments (flank of hill) within EPM 16743.



Plate 2: Collage of aerial photographs showing the granite (top right central photo) and surrounding sediments within EPM 16743. A prominent shear zone is evident within the central zone.

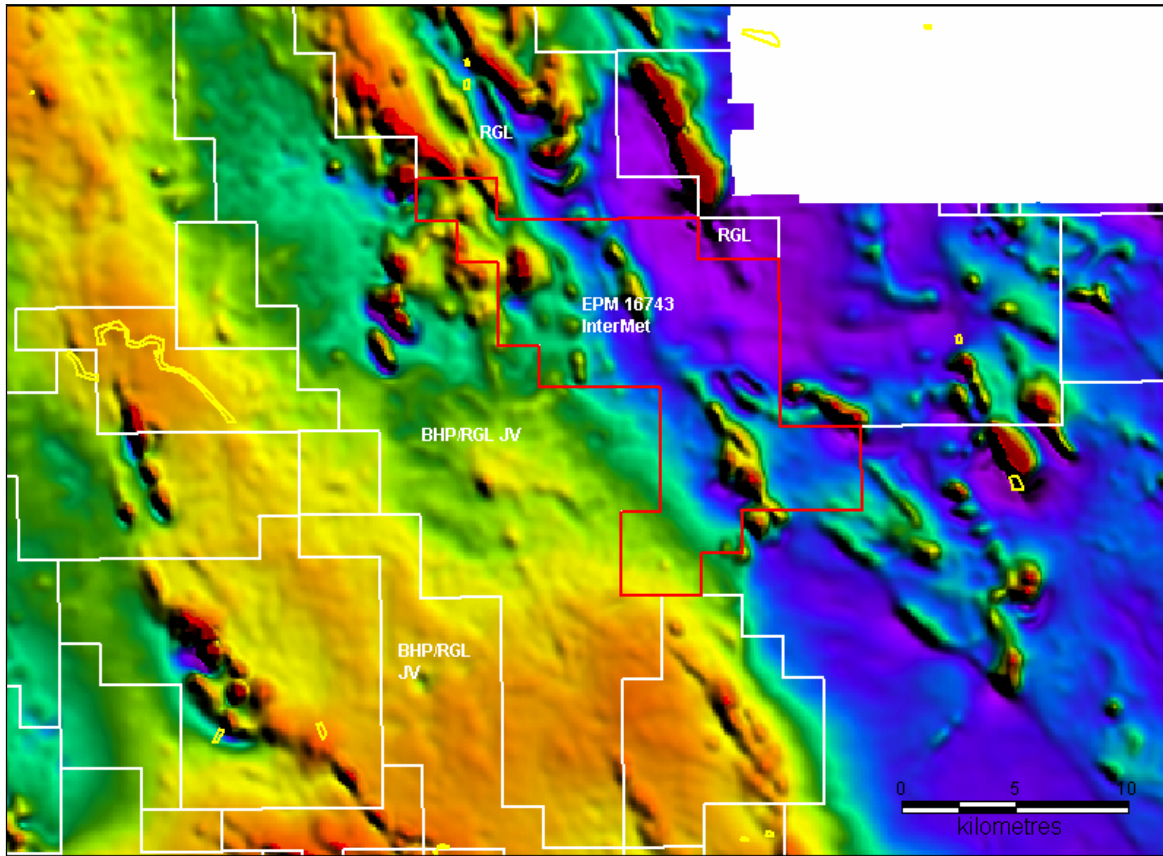


Figure 3: Location of EPM 16743 on regional TMI data.

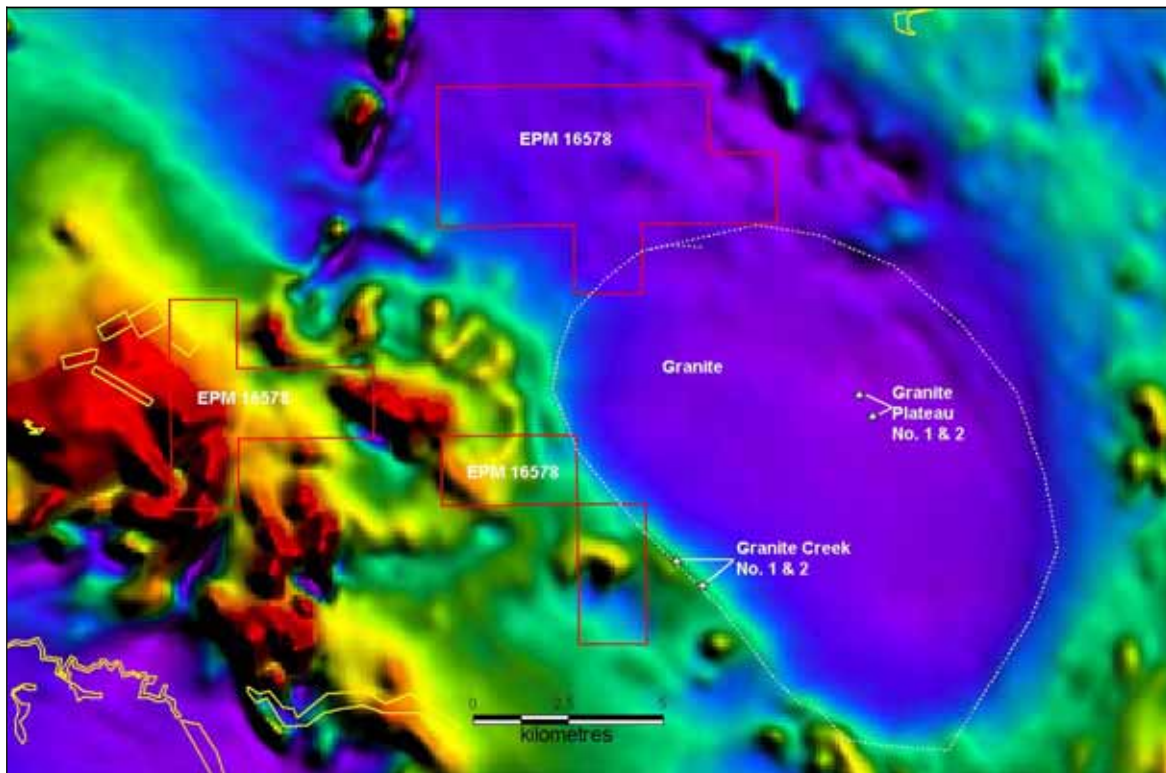


Figure 4: Location of EPM 16578 comprising three separate areas.