



22 October 2007

Dear Option Holder,

**Reminder of Expiry of 30 November 2007 Options**

The Directors of InterMet Resources Limited wish to remind holders of 30 November 2007 20 cent options (ASX Code: ITTO) that these options will expire on 30 November 2007.

ITTO options will cease quotation at the close of trading on Friday, 23 November 2007. If payment for the exercise of these options is not received by 30 November 2007 the options will lapse and all rights under the options will cease at that time. Dispatch of holding statements for the new shares will take place on 17 December 2007.

Courses of action available to option holders include:

- **Exercise your options** – by no later than 5:00pm EST, 30 November 2007.
- **Sell your options** – quotation of the options will cease at the close of trading on 23 November 2007.
- **Do nothing** – if you do not take any action to exercise your options prior to 30 November 2007, the options will expire and your rights to purchase shares at 20 cents will lapse.

There is no obligation upon option holders to exercise their options. Option holders who wish to exercise options should complete the attached 'Option Expiry Notice' form and forward it together with a cheque for our receipt by 30 November 2007 to:

Computershare Investor Services Pty Ltd  
GPO Box 1903  
Adelaide S.A. 5001  
Telephone 1300 556 161  
Facsimile + 61 8 8236 2305

Computershare Investor Services Pty Ltd  
Level 5  
115 Grenfell Street  
Adelaide S.A. 5000

Cheques should be made payable to "InterMet Resources Limited" in Australian dollars only and crossed "Not Negotiable".

On the back of this letter is a summary of recent successes which should be considered when exercising your options.

Yours sincerely

A handwritten signature in black ink, appearing to read "I Kirkham".

Ian Kirkham  
Company Secretary

**Operations Office**  
Unit 1  
22 Maple Avenue  
FORRESTVILLE SA 5035  
  
Tel: +61 8 8351 3388  
Fax: +61 8 8351 0023

**InterMet Resources Limited**  
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**Recent successes:**

- InterMet signed an option agreement for Mt Ruby iron-ore project in northern Queensland, with iron values up to 69.48% Fe, on 22 October 2007.
- Paddy lease mapping shows magnetite outcrops extend for up to 500m in length and 150m in width. Previous iron assays at produced values up to 69.86% Fe.
- InterMet signed a purchase agreement for “Ann” Mining Lease Application (MLA) 20424 in Queensland on 16 October 2007. Rock chip assays produced up to 26.7% zinc and 198g/t indium.
- Acquisition of the Munderra copper-iron-gold and base metals project in northern Queensland on 20 September 2007.
- EL 3948 (Lake Malata), containing a uranium radiometric anomaly, granted to InterMet, who plans to explore for uranium in their own right.
- Completion of a high-resolution radiometric and aeromagnetic survey at Wanilla (EL 3702) on the Coultas Project.

**Deferred settlement:**

Deferred settlement trading commences on 26 November 2007 under the code ITTN (indicative only) and will continue until 17 December 2007.

**Other Data:**

1. The latest available market sale price on the Australian Securities Exchange Limited (ASX) before the date of this notice for those securities to which the Options may be converted was 27.5 cents on 19 October 2007.
2. The highest and lowest sale price on the ASX for the three months preceding the date of this notice and the respective dates of sales for those securities to which the Options may be converted were:

Highest	-	37.0 cents on 18 October 2007
Lowest	-	10.5 cents on 17 August 2007