Friday, 30 November 2007

Mt Ruby High-Grade Iron Results

Assay Results Confirm Potential for High-Grade Iron Deposit at Mt Ruby

Highlights

- **Rock chip results show Fe values between 62.3 – 68.7%**
- **All samples low in Phosphorous and Aluminium**
- **Petrology confirms magnetite skarn mineralisation**
- **Heli-mag survey planned to define extent of magnetite**

InterMet Resources (ASX:ITT) advises that geochemical assay results from recent reconnaissance mapping and sampling at Mt Ruby confirm the high-grade nature of the iron at the surface with results between 62.3 and 68.7% Fe (Table 1).

A total of 18 samples were collected to assess the iron content and all but one sample returned ≥65% Fe (Table 1). Sample 124813 reported 62.3% Fe and was collected within a small garnet rich zone, which also included samples 124811 (65% Fe) and 124812 (65.2%). This shows these zones are also iron-rich, and with magnetic separation the grade of these samples would increase to >65% Fe. The average grade of the samples is 66.65% Fe.

Petrology of a piece of drill core found near an old drill collar reports a partly weathered magnetite-quartz rock formed as a massive iron skarn replacement deposit composed of granular magnetite + minor quartz + trace unknown others. Subsequent weathering generated hematite latticework after magnetite and minor dense goethite after unknown mineral(s). The drill hole was targeting an IP anomaly but failed to intersect the source of the IP and intersected up to 200ft of iron (~60m).

InterMet is planning a heli-mag survey to assist in further defining the extent of iron mineralisation and the dip of the mineralisation to assist with future drilling programs.

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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Table 1: Assay results for rock chip samples from Mt Ruby prospect

Samp No.	Easting	Northing	Fe	Fe	Fe2O3	Al2O3	P2O5	SiO2	LOI
			XRF78S	ICP40Q	XRF78S	XRF78S	XRF78S	XRF78S	XRF78S
			0.01	100	0.01	0.01	0.01	0.05	-10
			%	(ppm)	%	%	%	%	%
124801	321642	8057412	**67.8**	733000	97	0.79	0.03	3.84	-2.521
124802	321639	8057426	**66.9**	720000	95.7	0.81	0.05	3.7	-1.184
124803	321638	8057432	**67.1**	718000	96	0.77	0.06	2.94	-0.988
124804	321632	8057433	**68.0**	724000	97.3	0.58	0.04	3.01	-1.565
124805	321633	8057438	**67.8**	710000	97.0	0.59	0.04	2.8	-0.774
124806	321624	8057443	**68.4**	757000	97.8	0.62	0.02	2.97	-2.098
124807	321627	8057452	**66.9**	703000	95.6	0.8	0.03	3.96	-2.035
124808	321626	8057457	**68.7**	713000	98.2	0.45	0.08	2.37	-1.47
124809	321626	8057470	**67.3**	705000	96.2	0.51	0.05	4.11	-1.205
124810	321618	8057470	**67.7**	727000	96.8	0.71	0.03	3.48	-1.878
124811	321620	8057492	**65.0**	665000	93.0	0.89	0.04	5.09	-1.604
124812	321621	8057501	**65.3**	683000	93.4	0.8	0.07	4.9	-0.01
124813	321624	8057498	62.3	636000	89.0	0.85	0.06	7.56	0.905
124817	321622	8057507	**65.4**	686000	93.5	0.4	0.08	5.59	-0.273
124818	321630	8057509	**64.4**	661000	92.1	0.6	0.04	6.0	0.444
124819	321637	8057509	**65.1**	697000	93.1	0.52	0.04	4.9	0.478
124820	321629	8057540	**66.9**	703000	95.6	0.75	0.02	4.11	-1.304
124821	321678	8057430	**68.7**	742000	98.2	0.5	0.04	2.77	-1.826

Plate 1: Coarse magnetite crystals with minor hematite produced by weathering of primary magnetite (rock assayed 68.7% Fe)

Plate 2: Coarse magnetite crystals (assay 65.1% Fe)