



Thursday, 24 January 2008

Spectacular Gold Results from Percy West Prospect

Highlights

- **Rock chip results show Au values up to 608 g/t**
- **Drilling rig booked for March**

InterMet Resources (ASX:ITT) advises that further geochemical assay results from recent reconnaissance mapping and sampling at ML 30199 (Percy West) confirm the high-grade gold previously reported (Table 1). Percy West is located south of Georgetown and approximately 5km from the Union Mine (Figure 1).

A total of 38 samples were collected to assist with locating drill holes planned for March. Previous sampling by InterMet had produced gold values up to 390 g/t and the high-grade nature of the main lode was confirmed with a repeat sample assaying 608 g/t gold. Plates 1-6 show selected samples from the Percy West Lease.

Commenting on InterMet's gold exploration program, Managing Director Gary Ferris said "the recent high-grade surface samples from the Union Mine (ML 3366), Percy West (ML 30199), Canadian (ML 3326) and Goldsmith (ML 3327) leases provide significant encouragement that drilling could produce equally spectacular results and allow InterMet to fast-track exploration through to production if significant resources are reported. The fact that these prospects are located within granted Mining Leases and all report high-grade gold at surface makes these targets a priority for InterMet, especially with the current gold price at record highs".

Northern Queensland is currently experiencing heavy rain and this has forced the reprogramming of InterMet's planned drilling programs. A drill rig has been booked and is likely to be on site in March for the Percy West and Union Mine drilling. A total of 10 holes are planned for the initial program at Percy West and drilling will take approximately 1 week. A second drill rig has been confirmed for drilling at InterMet's Canadian and Goldsmith leases during March with up to 20 holes planned to test the depth and strike extent of surface mineralisation.

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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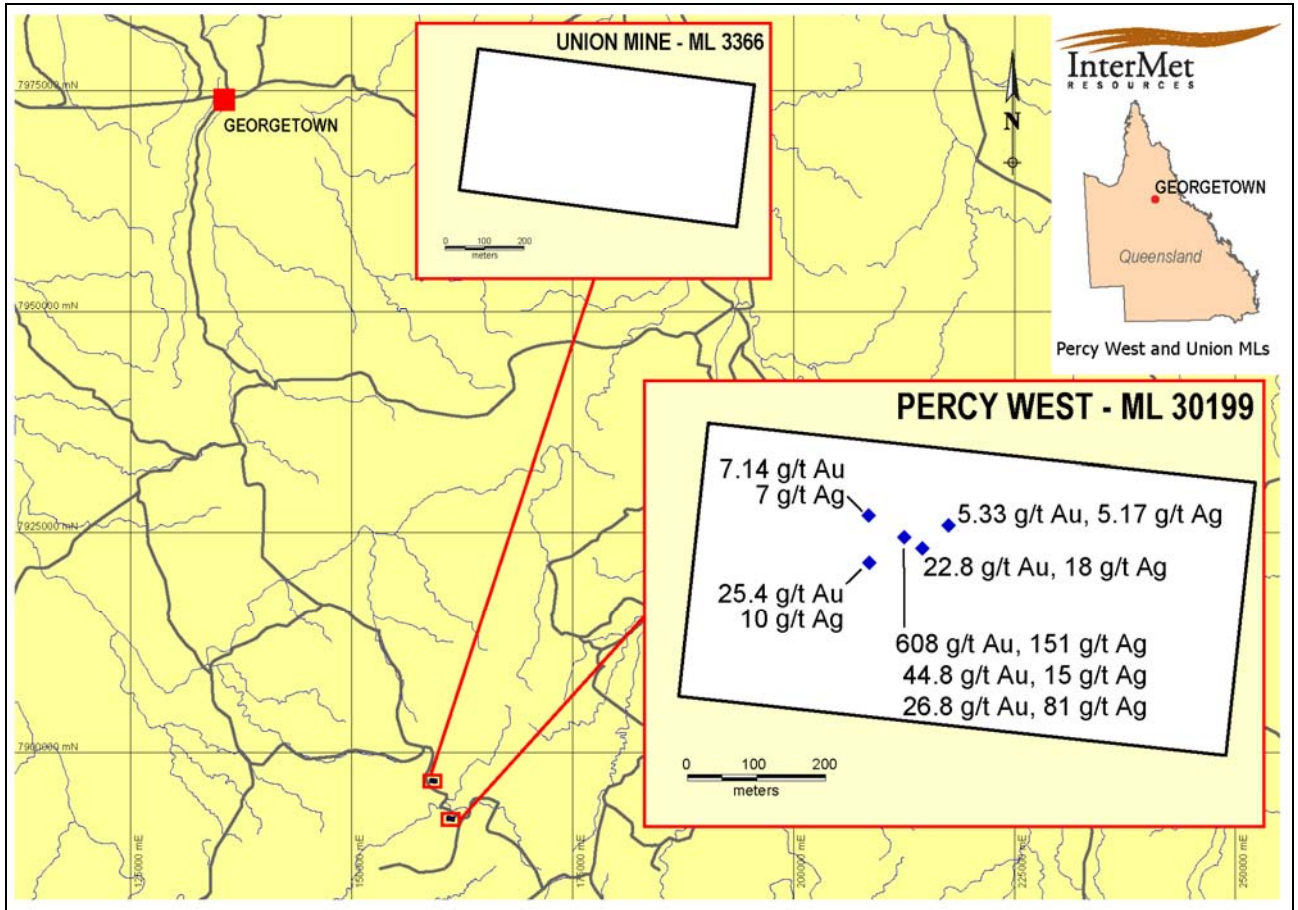


Figure 1: Location of Percy West ML and selected samples.



Plate 1: 22.8 g/t Au



Plate 4: 26.8 g/t Au & 81 g/t Ag



Plate 2: 12.9 g/t Au & 64 g/t Ag



Plate 5: 25.4 g/t Au



**Plate 3: High-grade sample
– 608 g/t Au & 151 g/t Ag**



Plate 6: 7.8 g/t Au

ML 30199 (Percy West) Sample Analysis

Sample				METHOD	FAA303	FAA303	ICP12S	ICP12S	ICP12S	ICP12S	ICP12S	ICP12S	ICP12S
No.	East (mE)	North (mN)	Datum	UNITS	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM	PPM
Description				Au	Au_R	Ag	As	Cu	Fe	Pb	Zn		
177413	792639	7893238	AGD 66	small pit - sample of rhyolite country rock from stockpile	0.03	-	X	34	73	68700	12	81	
177414	792639	7893238	AGD 66	small pit - sample of rhyolite, altered Fe-stained, soft	0.03	-	X	14	46	75300	20	73	
177415	792620	7893251	AGD 66	small pit - rhyolite altered zone	0.25	-	1	9	45	3970	57	26	
177416	792620	7893251	AGD 66	gossanous rhyolite sample	22.8	21.8	18	1320	101	96400	2990	395	
177417	792596	7893270	AGD 66	Main Pit - qtz with stockworks	12.9	-	64	1200	506	44800	5100	276	
177418	792596	7893270	AGD 66	sample from northern side of pit, sericite altered rhyolite	0.48	-	4	599	374	21800	236	438	
177419	792596	7893270	AGD 66	sample from southern side - siliceous-sericite altered rhyolite	0.3	-	3	42	21	12600	188	155	
177420	792596	7893270	AGD 66	qtz with sulphides - main lode	31	-	86	766	921	19900	3040	606	
177421	792596	7893270	AGD 66	qtz with sulphides - main lode	9.79	-	53	751	951	39800	2350	1000	
177422	792596	7893270	AGD 66	sample of qtz further down lode - minor sulphides	44.8	-	15	500	559	26800	386	212	
177423	792596	7893270	AGD 66	sample of contact rock with qtz	608	567	151	676	95	33000	2630	255	
177424	792596	7893270	AGD 66	sample of altered rhyolite along contact with qtz	26.8	31.8	81	455	143	23800	1700	81	
177425	792596	7893270	AGD 66	sample of gossanous rock from dump	3.57	3.68	5	3130	106	218000	1350	577	
177426	792542	7893304	AGD 66	Second main pit - wall rock along interpreted contact	1.42	-	2	27	342	5360	141	204	
177427	792542	7893304	AGD 66	Second main pit - wall rock along interpreted contact	0.15	-	2	6	12	6630	104	100	
177428	792542	7893304	AGD 66	altered rhyolite with qtz stringers	7.14	-	7	160	20	18400	149	72	
177429	792458	7893339	AGD 66	small pit sericite altered rhyolite	0.4	-	3	43	22	16900	284	203	
177430	792423	7893365	AGD 66	Creek sample - limestone breccia	0.03	-	X	X	9	32300	69	234	
177431	792533	7893228	AGD 66	small gossan zone - qtz-Fe	25.4	27	10	29	290	122000	138	91	
177432	792533	7893228	AGD 66	small gossan zone - qtz-Fe	15.4	15.7	8	15	79	133000	86	18	
177433	792965	7893146	AGD 66	small excavation - qtz rich zone with patches of iron	7.82	-	3	14	68	46200	83	16	
177434	792965	7893146	AGD 66	small excavation - qtz rich zone with patches of iron with sulphides	6.25	-	3	20	48	52000	111	16	
177435	792965	7893146	AGD 66	small excavation - qtz rich zone with patches of iron with sulphides	0.75	-	X	4	20	59200	115	23	
177436	792872	7893164	AGD 66	another small excavation - iron rich gossan	0.78	0.83	X	60	18	116000	83	76	
177437	792872	7893164	AGD 66	another small excavation - iron rich gossan	1.22	-	X	171	133	92100	82	89	
177438	792872	7893164	AGD 66	another small excavation - iron rich gossan from floor of scrape	0.1	-	X	8	15	46400	83	11	
177439	792456	7893140	AGD 66	zone of qtz at surface - slightly gossanous	0.07	-	X	5	131	9800	32	44	
177440	792456	7893140	AGD 66	zone of qtz at surface - slightly gossanous	0.12	-	X	3	6	19100	8	1	
177441	792584	7893265	AGD 66	zone of sericite altered rhyolite with minor vughs, minor Fe-staining	0.03	-	X	X	4	7260	14	48	
177442	792584	7893265	AGD 66	zone of sericite altered rhyolite with minor vughs, minor Fe-staining	0.15	-	X	14	22	8380	49	67	
177443	792758	7893225	AGD 66	patch of altered rhyolite	0.02	-	X	4	8	3360	14	28	
177444	792780	7893259	AGD 66	small zone of narrow qtz veining and alteration within rhyolite	0.9	-	2	3	6	7700	13	9	
177445	792662	7893282	AGD 66	zone of float - qtz-Fe-stained(stockworks) - possibly from nearby pit	5.33	5.17	9	966	137	31200	885	202	
177446	792662	7893282	AGD 66	zone of float - qtz-Fe-stained(stockworks) - possibly from nearby pit	3.82	-	8	977	305	24900	889	333	
177447	792640	7893292	AGD 66	small diggings near base of hill - ferrug altered granite	7.8	8.52	19	1830	221	97500	6600	237	
177448	792640	7893292	AGD 66	chlorite altered granite	0.3	-	3	32	425	35700	247	1020	
177449	792722	7893215	AGD 66	small pit - minor sericite altered rhyolite	0.37	-	X	54	142	5910	228	123	
177450	792722	7893215	AGD 66	small pit - minor sericite altered rhyolite	0.2	-	X	49	10	9780	333	170	