



ASX Code: ITT

**Quarterly Report For
Period Ending 31 December 2007**

InterMet Resources Limited's Directors are pleased to present the December Quarterly Report. During the quarter, InterMet has added several new projects to its Queensland portfolio, including two advanced gold projects within historically rich gold mining areas at Percyvale and Forsayth, together with a continuing focus on existing and new iron opportunities. InterMet has also entered into option agreements over two granted gold mining leases located south of Forsayth with initial rockchip sampling providing very encouraging results up to 735g/t gold. InterMet also applied for several new tenements in northern Queensland, targeting iron, gold and base metals.

Highlights

- Rockchip sampling for iron at the Paddy Prospect confirmed high-grade iron ranging between 59.8 – 68.2% Fe. Ground magnetic data shows area of potential iron mineralisation larger than outcropping magnetite-rich rocks.
- Option agreement signed over Union Mine and Percy West Mining Leases. Rockchip results include 197g/t Au from Union Mine area and 390g/t Au from Percy West lease.
- Option agreement signed over two Mining Leases south of Forsayth. Rockchip results include 735g/t Au (ML 3327 - Goldsmiths) and 29g/t Au (ML 3326 – Canadian).
- Option agreement signed over a promising base metal occurrence located 10km north of Mount Garnet. Rockchip sampling shows zinc up to 38% and elevated indium (198g/t).
- Option agreement signed over potential iron deposit at Mt Lucy. Rockchip sampling shows the iron to be very high grade (>70% Fe). Base metal rich samples were also noted with lead up to 27%, zinc up to 15% and >7000g/t silver reported.
- Drilling commenced at Lake Gilles for base metals.
- AEM survey planned for Vanilla Palaeochannel (Coultas Project)
- Five holes completed by Mega Uranium at Lake Gilles (EL 3467) targeting unconformity-related uranium mineralisation.
- Four new EPM applications in Northern Queensland made.
- \$1.9M raised from option exercise and underwriting.

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Project Review – Queensland

InterMet has 11 Projects located within Queensland (Figure 1).

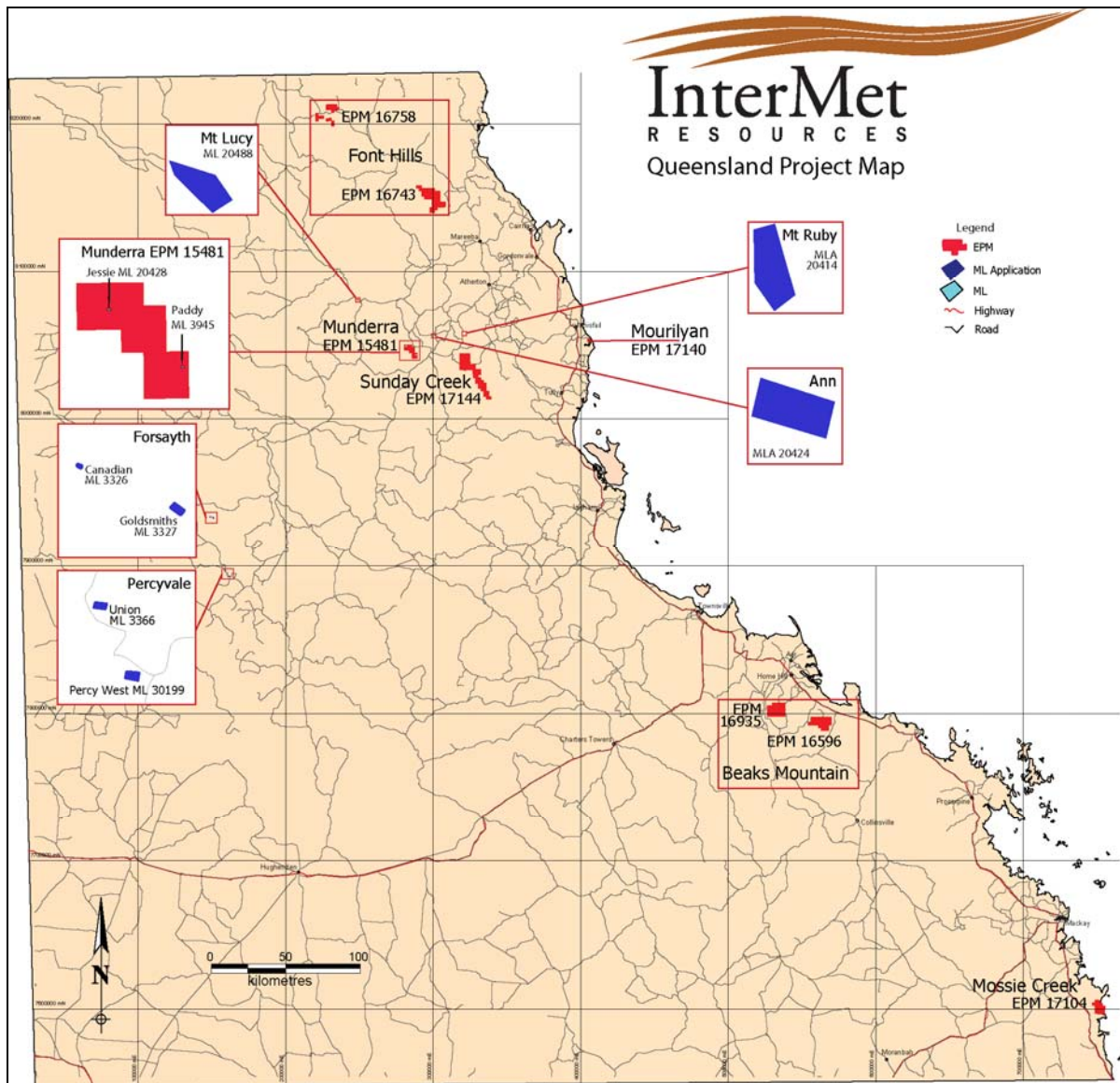


Figure 1: Location of InterMet Resources Projects in Queensland

InterMet Projects

1. **Munderra Project** – Iron, copper, gold, base metals
2. **Mt Ruby** – Iron, copper
3. **Mt Lucy** – Iron, base metals
4. **Percyvale Gold Project**
5. **Forsyth Gold Project**
6. **Beaks Mt (EPM 16596)** – Copper, molybdenum, gold
7. **Mourilyan Iron Project**
8. **Sunday Creek Project** – Iron, copper, gold, base metals
9. **Ann** – Base metals
10. **Font Hills** – Gold, tin-tungsten
11. **Mossie Creek** – Gold, molybdenum

Queensland Projects

InterMet has built up an impressive portfolio of Projects in northern Queensland ranging from relatively advanced projects on granted Mining Leases targeting iron, gold and copper to more grassroots projects. The current projects provide InterMet with the ability to evaluate projects rapidly with drilling to fast track them to potential development.

1. Munderra Project (EPM 15481; ML 3945 and 20428 - InterMet 100%)

Iron, Copper, Gold and Base Metals

The Munderra Project is located within 20km of Mt Garnet (Figure 2) and contains two zones of very promising mineralisation; iron, gold and base metals at the Paddy prospect and copper-gold at the Jessie prospect.

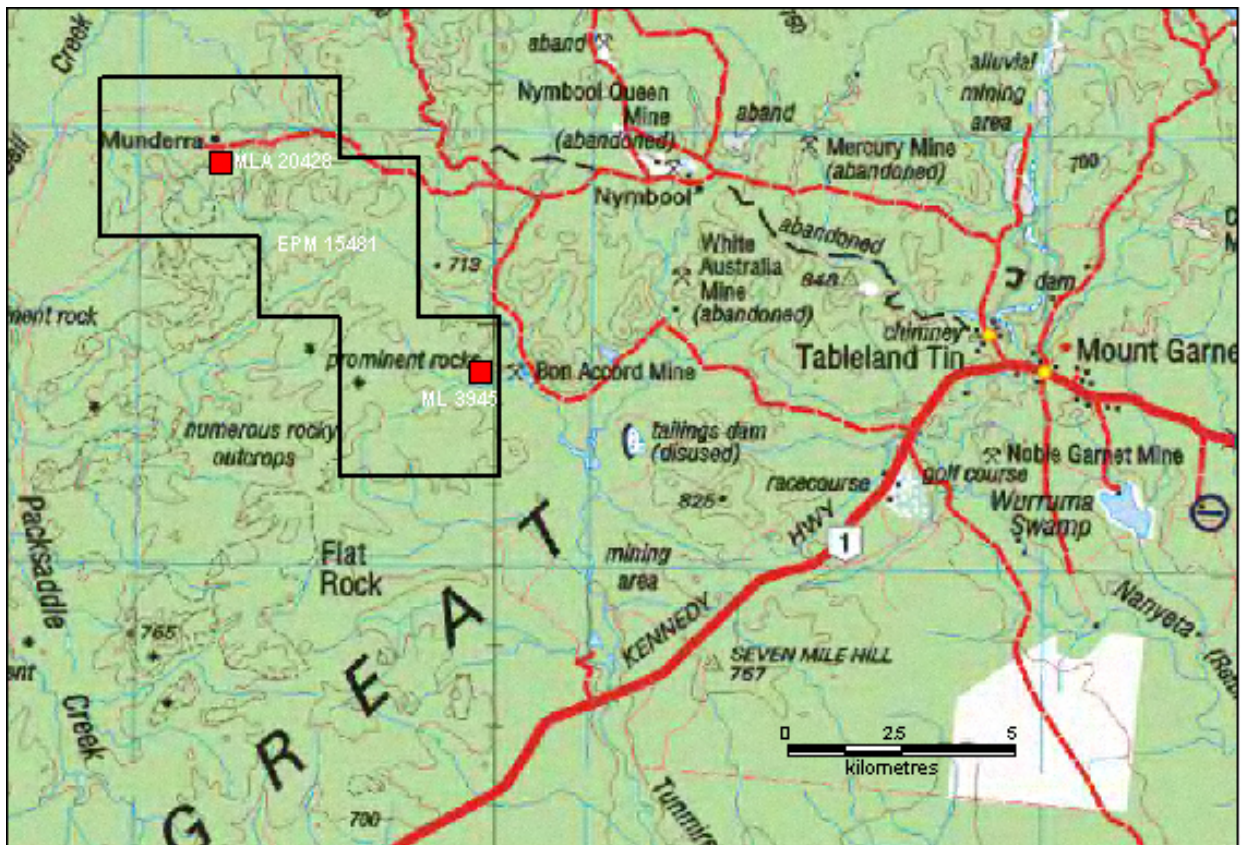


Figure 2: Location of EPM 15481

Paddy Prospect

The Paddy ML comprises a magnetite skarn and recent sampling by InterMet has confirmed the high-grade nature of the iron. Recent surface sampling showed the iron at Paddy ranges from 59.8 to 68.2% Fe with an average of 65.7% Fe with low phosphorous (highest 0.18% from lowest Fe sample). During the Quarter, InterMet also undertook a ground magnetic survey over the Paddy area and the results show the further magnetic anomalies (probably iron) trending to the northwest of the original survey area (Figure 3). InterMet will undertake further magnetic surveying to fully identify areas for the upcoming drilling program.



Plate 1: Pit at Paddy Iron Prospect (ML 3945)

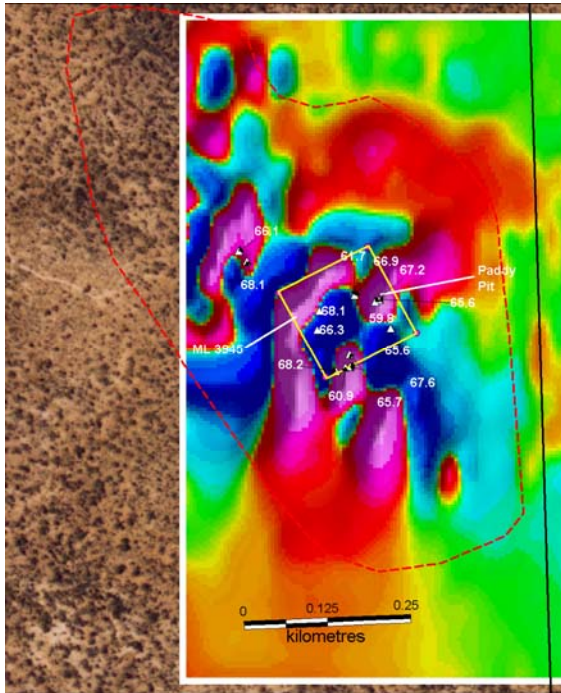


Figure 3a: Paddy ground magnetic data with rockchip sample locations and Fe values. Red dashed line represents area of interpreted iron mineralisation.

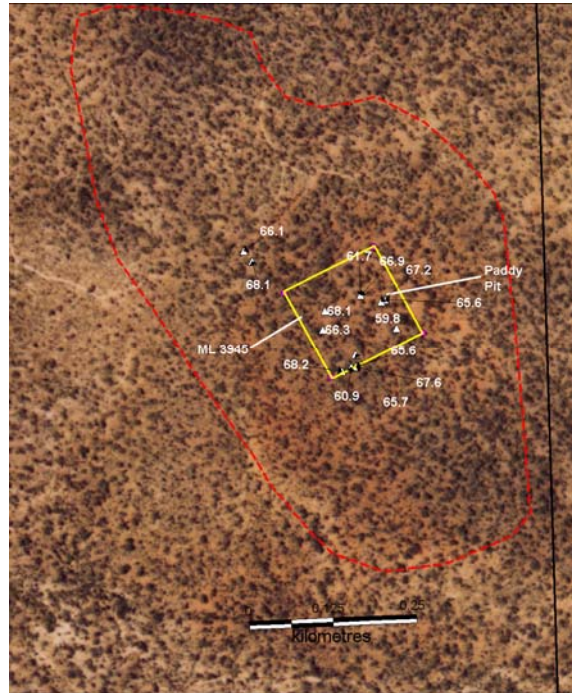


Figure 3b: Paddy area without ground magnetic data showing discolouration of surface due to weathering of iron.

Jessie Prospect

The Jessie Prospect covers a copper rich magnetite skarn with potential for porphyry style copper mineralisation within the granodiorite located at the base of the hill. The mineralisation is exposed in a low hill approximately 50m above the surrounding plain. The summit of the hill is capped by a 10m thick layer of iron which grades >60% Fe. Some of this also contains visible malachite along joints. Underlying the “ironstone” is an exposed zone approximately 30-40m thick of altered sediments and granodiorite with malachite dispersed throughout. InterMet interprets that the mineralisation extends to depth.

Recent sampling at the Jessie Prospect conducted by InterMet produced copper values up to 20.9% and previous sampling reported copper up to 36.7% Cu. The copper zone at the surface is approximately 170m in length by 40m wide and up to 30m thick at the summit of the hill. Plate 2 shows copper within outcrop at Jessie. Low-level gold up to 0.84g/t is also present with the copper and represents a significant credit with the current high gold price.



Plate 2: Copper-rich float sample at Jessie Prospect within iron-rich rock

2. Mt Ruby (ML 20428)

Rock chip results from recent reconnaissance mapping and sampling at Mt Ruby confirm the high-grade nature of the iron at the surface with Fe results between 62.3 and 68.7% Fe, averaging 66.65% Fe. The Mt Ruby iron prospect is located approximately 21km south southwest of the town of Herberton and 25km northeast of Mt Garnet (Figure 1). The Mining Lease covers a hill of ironstone and surrounding zone of magnetite-rich float. The hill is approximately 30m in height, 80m in length and 80m in width.

3. Mt Lucy (ML 20414)

Mt Lucy is located approximately 112km northwest of Mount Garnet and 5km west of Almaden (Figure 1). Mt Lucy comprises a hill of ironstone rising approximately 90m above a plain and approximately 300m in length. To the southeast the ironstone ends abruptly, but to the northwest it can be traced down the flank of a ridge and across the flats in a series of rubbly shallow outcrops for several hundred metres to another low ironstone outcrop alongside the highway.

InterMet will scope the possibility of mining the hill to add to potential iron resources at Paddy (ML 3945) and Mt Ruby (MLA 20414), while undertaking further drilling to define the depth and the continuation of the mineralisation.

A second low hill of ironstone located approximately 600m to the southwest provides encouragement that the ironstone forms a continuous body below the current land surface. On the southwest side of the hill there is a skarn breccia with wollastonite and garnet-rich ironstone.

Located approximately 100m to the north of the main hill at Mt Lucy is an area of float containing lead (Pb), zinc (Zn), silver (Ag) and copper (Cu) rich samples (Plate 3). This area possibly represents a base metal rich part of the skarn system. Best rock chip results are:

- 19.2% Pb, 1.7% Zn and 678g /t Ag
- 27.4% Pb and 14.04% Zn, 7,000g/t Ag
- 12.4% Pb, 14.8% Zn and 158g/t Ag
- 3.4% Cu.

InterMet believes the Mt Lucy project has the potential for a small high-grade iron ore deposit and a base metal deposit at depth and along the margins of the iron mineralisation.

4. Percyvale Gold Project (ML 3366 and 30199)

InterMet has signed an Option Agreement for two Mining Leases over very promising gold prospects in Queensland. The two Mining Leases are located in the Percyvale area, approximately 100km south of Georgetown (Figure 1).

The Union Mine (ML 3366) was historically a very rich mine with gold up to 1,000g/t and copper up to 20%. Much of the gold in this region was associated with sulphides, preventing economical treatment of the ore; consequently most of the historical mining was within the oxide zone. The group of workings contains three distinct lodes, the Union, Cranky Dick, and Walkers. Only the Union was worked extensively and was known for its bonanza grade with a sample from a stope reported to 96.46oz Au per tonne. The average grade after hand sorting was 20-25% copper and 6.43oz Au and 13.5oz Ag. Coarse gold is still collected from the surface (Plate 3) and sampling by InterMet reported gold up to 197.42g/t.



Plate 3: Coarse gold collected from Percyvale area by Leaseholder Allyn Zabel



Plate 4: Visible gold collected from Percy West Lease by Allyn Zabel

Percy West (ML 30199) is located ~5km from the Union Mine (Figure 1), and represents a different style of mineralisation from the Union Mine. Gold is hosted within either steeply dipping shear zones and quartz veins (Plate 4) developed within a highly sericite altered rhyolite. InterMet recently visited the area and collected 10 samples, with the gold values ranging from 0.47g/t to 390.61g/t. This area has not received detailed exploration and InterMet plans to undertake a drilling program in early 2008.

5. Forsayth Gold Project (ML 3326 and 3327)

InterMet has signed an option agreement for two Mining Leases over very promising gold prospects located in the Forsayth area, approximately 40km south of Georgetown (Figure 1). Historically these mines were very rich:

- ML 3326 - Canadian – 3,167.6ozs gold produced from 4,469 tonnes ore (just under 1oz/t Au)
- ML 3327 - Goldsmiths – 10,837ozs gold produced from 9,200 tonnes ore (>1oz/t Au)

The Goldsmiths Mining Lease is 50 hectares in size and contains numerous small, shallow pits. A total of 18 samples were collected and gold values ranged from 0.7g/t to **735.6g/t**. Every sample collected contained anomalous up to bonanza grade gold and confirms the potential outlined by earlier drilling.

The Canadian Mining Lease is 32 hectares in size and contains several small pits and adits. Gold mineralisation is hosted in quartz veins with abundant sulphides. The main dump contains minor copper (malachite) mineralisation, but no samples were assayed for copper. A total of 12 samples were collected and gold values range from 0.3g/t to 29g/t.

InterMet plans an initial program of trenching to assess the gold mineralisation and drilling will be undertaken in the second quarter 2008.

6. Beaks Mountain Project – (EPM 16596 & 16758) (InterMet 100%)

Copper, Molybdenum and Gold

EPM 16596 and 16758 are located approximately 140km south 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. A road aggregate quarry on EPM 16596 within the porphyry and within the quarry large zones of the rock are stained yellow due to weathering of pyrite. In hand specimen, the porphyry contains zones of abundant pyrite as well as disseminated pyrite and chalcopyrite. A zone of quartz veining with visible Mo was inspected and a zone of dolerite was inspected with visible Cu (Plate 5).



Plate 5: Sample of copper-rich dolerite (azurite-blue & malachite-green) from EPM 16596

7. Mourilyan Iron Project (EPM 17140)

InterMet applied for a small EPM covering an iron deposit located near the Port of Mourilyan (Figure 4). The iron at Mourilyan is a banded iron formation hosted within low-grade metamorphic rocks. InterMet will await the granting of the Lease and undertake mapping and sampling. The iron deposit is located on the southern side of a prominent hill, and it is unknown how extensive the iron mineralisation is or the grade of the iron. However, the location of an iron resource close to a port capable of handling iron exports represents an excellent opportunity for InterMet to add to its existing portfolio of iron projects.



Figure 4: Location of Mourilyan iron deposit

8. Sunday Creek Project (EPM 17144 – 100% InterMet)

InterMet recently applied for a tenement located south of Mount Garnet, which is believed to be prospective for iron skarn mineralisation evident on the regional aeromagnetic data (Figure 5). The Whispering Ridge magnetite deposit is located to the west of the interpreted magnetite rich skarn and forms a prominent northwest trending magnetic feature. Once the tenement is granted InterMet plans to target the highly magnetic linear zone which is interpreted to represent potential magnetite mineralisation.

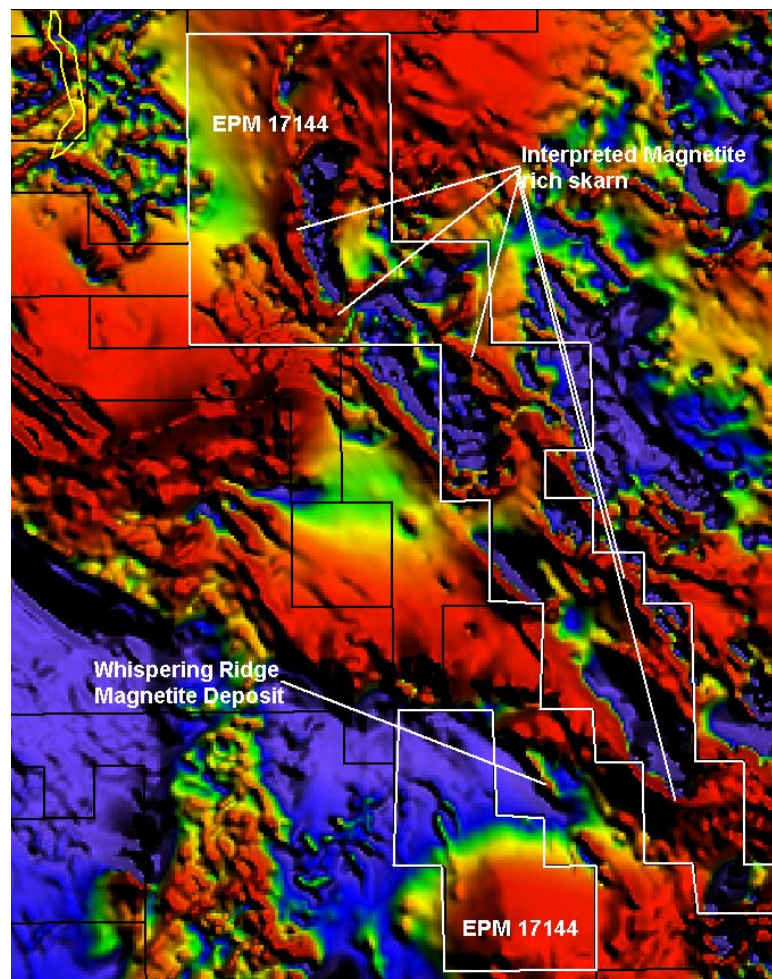


Figure 5: Location of EPM 17144

9. Ann Base Metal Project (ML 20424)

InterMet has signed an option agreement over an outcropping zone of high-grade base metals. The “Ann” MLA covers an outcrop of massive sulphides zinc-lead-silver (Plate 6). Approximately 300m from this massive sulphide is an old copper working, the Brilliant shaft. Linking the shaft and the mineralisation in the creek is a low ridge of brecciated and quartz veined quartzite and conglomerate with zones of malachite.



Plate 6: Boulder of massive sulphide with in creek near massive sulphide outcrop

The massive sulphide layer within the

creek is ~1m thick, but occurs at the base of the outcrop at creek level, so the vertical thickness is unknown but InterMet believes it extends to depth. The rocks above the massive sulphide layer still contain sulphides, and the gossanous material contains boxwork structures, evidence that it once contained sulphides. The mineralised outcrop is approximately 50m in length but the vertical and lateral extent is unknown and will need to be defined by geophysical methods (IP or EM) and drilling. Rockchip results include up to 38% zinc, 10% lead and 198g/t indium.

10. Font Hills (EPM 16743 & 16758- InterMet 100%) – Gold, Tin and Tungsten

EPM 16743 and 16758 are located to the northwest of Mareeba (Figure 1) and both projects contain contact zones between tin-bearing granites and the Hodgkinson Formation sediments. These contact zones are evident on the regional aeromagnetic data and were clearly visible from during helicopter reconnaissance.

Upon grant, InterMet is planning regional reconnaissance mapping and sampling together with a regional soil sampling program to define drill targets.

11. Mossie Creek (EPM 17104 - InterMet 100%) – Gold and Molybdenum

EPM 17104 is located approximately 60km south of Mackay (Figure 1). The area contains numerous gold prospects and two are reported as having molybdenum. The association of gold and molybdenum suggests an epithermal to porphyry type environment. InterMet will undertake regional soil sampling and mapping once the tenement is granted.

Project Review

InterMet has eight projects located within South Australia.

South Australian Project Review

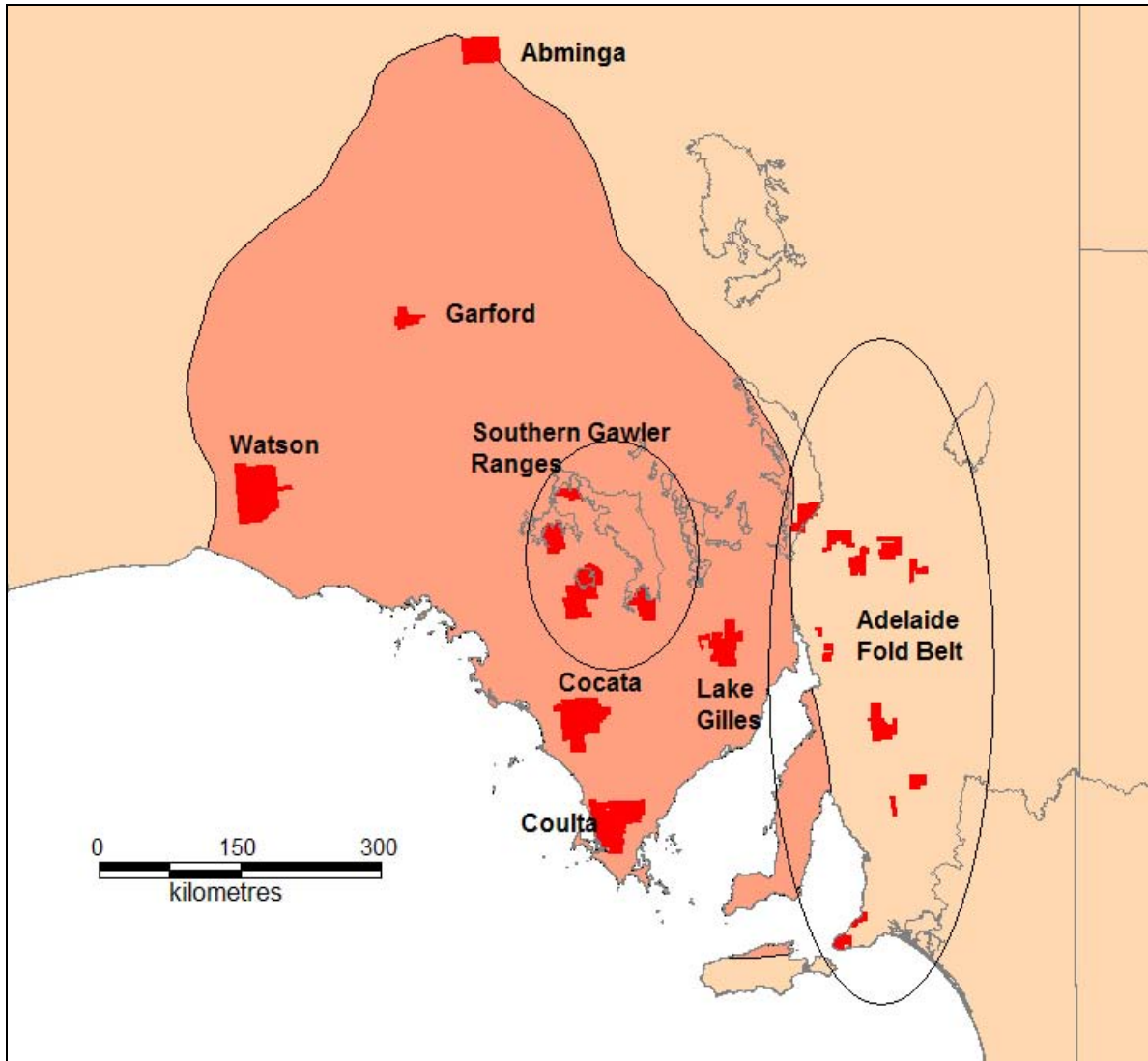


Figure 1: Location of InterMet Resources Projects within South Australia

InterMet South Australian Projects

1. Lake Gilles
2. Coult
3. Cocata
4. Watson
5. Southern Gawler Ranges
6. Garford
7. Adelaide Fold Belt
8. Abminga

Lake Gilles Project

(EL 3466, 3467 and 3801 – 100%) Hindmarsh Resources earning up to 80% of rights to unconformity-related uranium on EL 3467 only; InterMet earning up to 95% of EL 3204 from Vintage Exploration)

Olympic Dam Cu-Au-U, Mesoproterozoic Orogenic/Epithermal Gold and Base Metals, Unconformity-related uranium

Base Metal Exploration

Two holes targeting base metals were completed and one was commenced prior to Christmas with a further five holes planned for January 2008. Hole LGRC012 targeted a coincident copper, lead and zinc soil anomaly located above a weakly chargeable feature in the basement. The hole was drilled to a depth of 85m and intersected an interpreted fault zone between 74-81m which contained minor sulphides within brecciated and quartz veined Gawler Range Volcanics.

Hole LGRC005 was drilled to test a coincident low order lead-zinc soil anomaly over a strong chargeable IP anomaly. The hole was drilled to 150m and intersected quartzite, jaspilite and schist down to 148m and then went into Gawler Range Volcanics. Between 83m and 148m, disseminated sulphide was observed and most likely explains the IP anomaly.

Hole LGRC006 was drilled to 58m and intersected a sequence of clays and quartzite with a 6m zone of carbonaceous (graphitic) sediments intersected between 44-50m down the hole. Below the graphitic sediments was a zone of plastic clays which caused problems with the RC hammer. This hole will be completed in January, but the 6m zone of graphitic sediments is considered interesting for unconformity-related uranium mineralisation.

Samples from all holes have been submitted for geochemical analyses and the drilling is due to recommence in mid-January.

Uranium Exploration

The recent drilling program targeting unconformity-related uranium has been completed. A total of five RC holes and including one hole with a diamond tail totaling 1,037m were drilled and samples have been submitted for analysis with results expected during February 2008.

Coulta Project

(EL 3314, EL 3671, EL3702 and EL 3948 – 100%, Uranoz Ltd earning 80% in uranium on EL3314 and EL 3702)

Komatiite hosted nickel, Volcanic Hosted Massive Sulphide, Archaean orogenic gold and Palaeochannel Hosted Rollfront Uranium

Base Metal Exploration

The aeromagnetic/radiometric survey for EL 3702 has been completed and the data is currently being stitched together with data collected from the survey over EL 3314. The survey will provide high quality magnetic data and radiometric data over the whole project and will assist InterMet in defining potential targets for gold and base metal exploration.

Uranium Exploration

A 1,000km² airborne electromagnetic (AEM) survey commenced in early January and was due to be completed by January 10. The data will be processed and should be available in February and will greatly assist in the location of future drilling targeting sedimentary or palaeochannel hosted uranium within the Wanilla palaeochannel.

Cocata Project

(EL 3462, 3463 & 3801 – InterMet 100%, Uranium Equities Ltd earning 80% in palaeochannel hosted and unconformity-related uranium; Silver Swan Group earning 80% in all minerals with the exception of palaeochannel hosted and unconformity-related uranium on EL 2462 and 3463 only)

Rollfront and Unconformity-Related Uranium, IOCG and Orogenic Lode Gold

Rollfront Uranium Exploration

Uranium Equities (UEQ) is assessing the data from the recent palaeochannel drilling program. UEQ is also assessing the Mount Wedge tenement and has recently visited the area to inspect the outcropping Blue Range Beds, the target unit for unconformity-related uranium mineralisation.

IOCG Exploration

Final geochemical results have been received for the Cocata basement drilling. Best results were from hole A1 DH1 which reported slightly elevated uranium up to 93ppm U (172-173m) from a zone of pegmatite. This could provide a potentially good source of uranium in rollfront settings in the nearby palaeochannel systems.

WATSON Project

(EL 3313, 3323 and 3800 – InterMet 100%, Uranium Equities Ltd earning 80% in uranium; Silver Swan Group earning 80% in all other minerals (except uranium))

Rollfront Uranium, Nickel and Gold Targets

Gold and Base Metal Exploration

No work undertaken.

Uranium Exploration

Joint venture partner Uranium Equities is planning a major drilling program to test targets identified from recently acquired AEM data.

Southern Gawler Range Volcanic Project

(EL 3461, 3598, 3612 and 3949 - InterMet 100%)

IOCG and Orogenic/Epithermal Gold

No exploration was undertaken during the quarter. InterMet is planning a regional 1 x 1km gravity survey to delineate potential IOCG-U targets associated with the Hiltaba Suite/Gawler Range Volcanic tectonothermal event.

Garford Project

(EL 3861 - InterMet 100%)

Archaean Lode Gold (Challenger Style) and IOCG

EL 3861 was granted to InterMet during the quarter. InterMet is planning a regional 500 x 500m calcrete sampling program and is currently assessing any Native Title issues with such a sampling program and preparing a Declaration of Environmental Factors.

Adelaide Fold Belt Project

(EL 3966, 3992, 4002, 4003 and 4004; ELA 293/07 & 438/07 - InterMet 100%)

Sediment Hosted Copper-Gold and Base Metals

EL 3966 (Leighton), EL 3992 (Rapid Bay), EL 4002 (Lake Torrens), EL 4003 Craddock 1 and EL 4004 Craddock 2 have been granted to InterMet. Reconnaissance rockchip sampling on EL 3966 has reported elevated copper up to 27% and gold up to 3.7g/t from a small pit.

InterMet is planning a soil sampling program across this tenement to assist in defining drilling targets. Rockchip sampling of the Grundy Gold Mine on EL 3992 reported gold up to 6.79g/t from a quartz-ironstone lode. InterMet is planning a soil sampling program within the region and an aeromagnetic survey to define drilling targets.

Abminga Project

(EL 4001 - InterMet 100%)

IOCG and Orogenic/Epithermal Gold

EL 4001 was granted to InterMet on December 17. InterMet will review previous exploration data for the region and commence native title discussions with Traditional Owners prior to undertaking any field work.

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.

For further information, contact:

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Managing Director
InterMet Resources Limited
Tel: 08 8351 3381
Mob 0423 259 488

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

INTERMET RESOURCES LIMITED

ABN

66 112 291 960

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|---|
| 1 | +Class of +securities issued or to be issued | Unlisted Employee Share Option Plan (ESOP) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 750,000 Unlisted ESOP Options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Unlisted Options exercisable at 20 cents per share, expiring 14 February 2013, in accordance with the ESOP. The options vest as follows: 50% on 14 August 2009 and 50% on 14 February 2011. |
| 4 | Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state: <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | Options will only rank equally on the conversion into ordinary shares. |

+ See chapter 19 for defined terms.

5	Issue price or consideration	Nil												
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Long term incentives for key staff.												
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	18 February 2008												
8	<i>Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</i>	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td>31,650,500</td> <td>Fully Paid Ordinary Shares</td> </tr> </tbody> </table>	Number	+Class	31,650,500	Fully Paid Ordinary Shares								
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➤ 600,000	➤ 13/06/2012 @ \$0.30													
➤ 200,000	➤ 23/07/2012 @ \$0.23													
➤ 750,000	➤ 14/02/2013 @ \$0.20													
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)													
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)													

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	

+ See chapter 19 for defined terms.

17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	
33	+Despatch date	

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities (tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

+ See chapter 19 for defined terms.

41 Reason for request for quotation now
 Example: In the case of restricted securities, end of restriction period
 (if issued upon conversion of another security, clearly identify that other security)

--

42 Number and +class of all +securities quoted on ASX
 (including the securities in clause 38)

Number	+Class

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:
 (Company Secretary)

Date: 18 February 2008

Print name: Russell Middleton

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

INTERMET RESOURCES LIMITED

ABN

66 112 291 960

Quarter ended ("current quarter")

31 December 2007

Consolidated Statement of Cash Flows

Cash flows related to operating activities

- 1.1 Receipts from product sales and related debtors
- 1.2 Payments for (a) exploration and evaluation
 - (b) development
 - (c) production
 - (d) administration
- 1.3 Dividends received
- 1.4 Interest and other items of a similar nature received
- 1.5 Interest and other costs of finance paid
- 1.6 Income taxes paid
- 1.7 Other (provide details if material)

Net Operating Cash Flows

Cash flows related to investing activities

- 1.8 Payment for purchases of: (a) prospects
 - (b) equity investments
 - (c) other fixed assets
- 1.9 Proceeds from sale of: (a) prospects
 - (b) equity investments
 - (c) other fixed assets
- 1.10 Loans to other entities
- 1.11 Loans repaid by other entities
- 1.12 Other (provide details if material)
- Net investing cash flows**
- 1.13 Total operating and investing cash flows (brought forward)

	Current quarter \$A'000	Year to date (12.months) \$A'000
	(514)	(1,118)
	(170)	(321)
	13	39
	55	55
	(616)	(1,345)
	(34)	(40)
	(34)	(40)
	(650)	(1,385)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(650)	(1,385)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,865	1,865
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings	0	(61)
1.18	Dividends paid		
1.19	Other (provide details if material)	0	0
	Net financing cash flows	1,865	1,804
	Net increase (decrease) in cash held	1,215	419
1.2	Cash at beginning of quarter/year to date	1,178	1,974
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,393	2,393

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	70
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Non-Cash Financing and Investing Activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing Facilities Available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated Cash Outflows for Next Quarter

	\$A'000
4.1 Exploration and evaluation	500
4.2 Development	
Total	500

Reconciliation of Cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,393	1,178
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	2,393	1,178

Changes in Interests in Mining Tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	EPM 16742	0%	100%	0%
	EPM 16935	100%	0	100%
	EPM 17140	100%	0	100%
	EPM 17091	100%	0	100%
	EPM 17144	100%	0	100%

+ See chapter 19 for defined terms.

Issued and Quoted Securities at End of Current Quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	50,000,500	31,650,500		
7.4 Changes during quarter (a) Increases through issues Listed Options Exercised Restricted Ordinary Shares b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities Unlisted Unsecured Convertible Notes converting on or before				
7.6 Changes during quarter (a) Increases through issues				
7.7 Options			<i>Exercise price</i>	<i>Expiry date</i>
Unlisted	21,000,000	Nil	\$0.20	23/05/2010
ESOP Options	400,000	Nil	\$0.33	19/12/2011
ESOP Options	600,000	Nil	\$0.30	13/6/2012
ESOP Options	200,000	Nil	\$0.23	23/7/2012
7.8 Issued during quarter			<i>Exercise price</i>	<i>Expiry date</i>
7.9 Exercised during quarter Listed				
7.10 Expired during quarter				
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Company Secretary

Date: 31/01/2008

Print name:

Ian Kirkham

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.