



Monday, 7 April 2008

## **InterMet Increases Gold Portfolio in Queensland**

### **Rock Chip assays report excellent grades up to 43.5 g/t Gold**

#### **Highlights**

- InterMet has signed an Option Agreement over two tenements in the Hodgkinson Basin gold province, northern Queensland.
- Rock chip sampling shows gold values up to 43.5 g/t.

InterMet Resources Limited (InterMet) (ASX:ITT) is pleased to announce it has signed an Option agreement for Exploration Permit Minerals (EPM) 14647 and EPM 14986 in the East Hodgkinson River area (Figure 1). The two tenements are located approximately 60 km northwest of the Mareeba and comprise 15 sub-blocks (approximately 48 km<sup>2</sup>).

The addition of these tenements is part of a major exploration drive by InterMet into a highly mineralised province in northern Queensland. The Hodgkinson River area is in a similar geological setting to the Palmer Goldfield, though the Hodgkinson field produced more reef gold rather than from alluvial sources.

Sample sites 1 and 2 comprise outcropping quartz reefs with some minor workings. Reconnaissance sampling at these sites found gold up to 43.5 g/t, with most samples showing the presence of gold (Table 1). The quartz lodes contain zones of narrow sulphide veins, most likely to be stibnite (antimony sulphide - see Plates 1 & 2).

Site 3 is comprised of a cemented river gravel, exposed above the current river level. One sample collected by InterMet found 0.36 g/t gold while sampling by the leaseholder found grades up to 1 g/t. There is abundant cemented river gravel present in the area which may represent a low-grade – high volume placer (alluvial) target.

Previous sampling at the Cairns Battery site reported gold up to 27.8 g/t (Figure 1; Table 1).

InterMet is planning a detailed geological mapping and sampling program in May to define the extent and grade of the gold mineralisation at each of the three sites and to locate other prospects. The identification and testing of drill targets is expected to be carried-out before the next wet season.

Commenting on the signing of the Option Agreement, Managing Director Gary Ferris said "InterMet has recently applied for four tenements within the Hodgkinson Basin area as we believe the region is highly prospective for quartz-hosted gold as well as tungsten associated with intrusion of large granite bodies into the Hodgkinson Formation sediments. I'm very impressed and greatly encouraged with the excellent gold values we have found on EPM 14647".

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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.

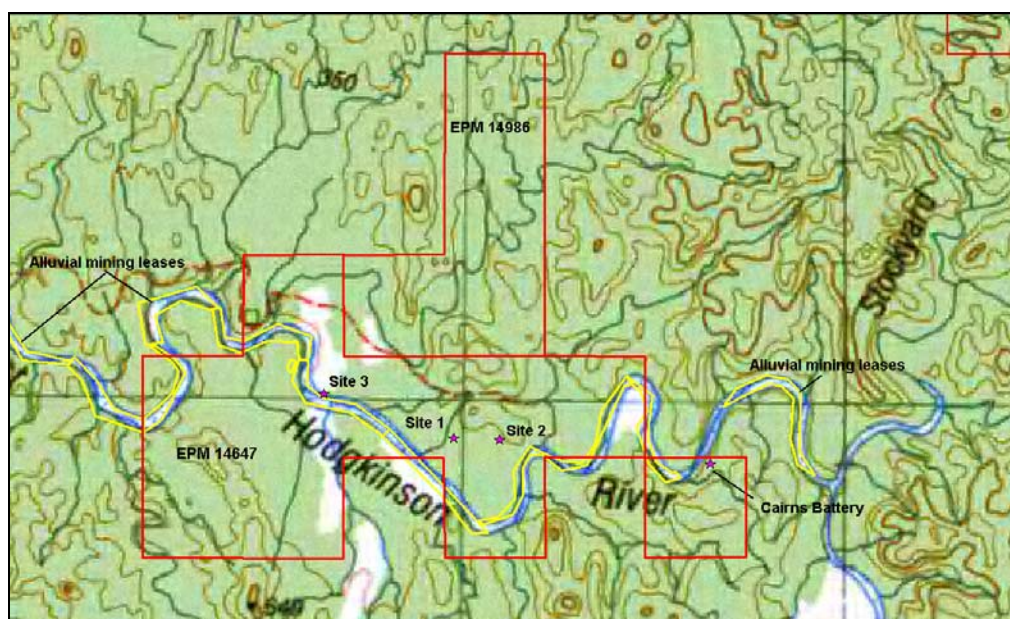
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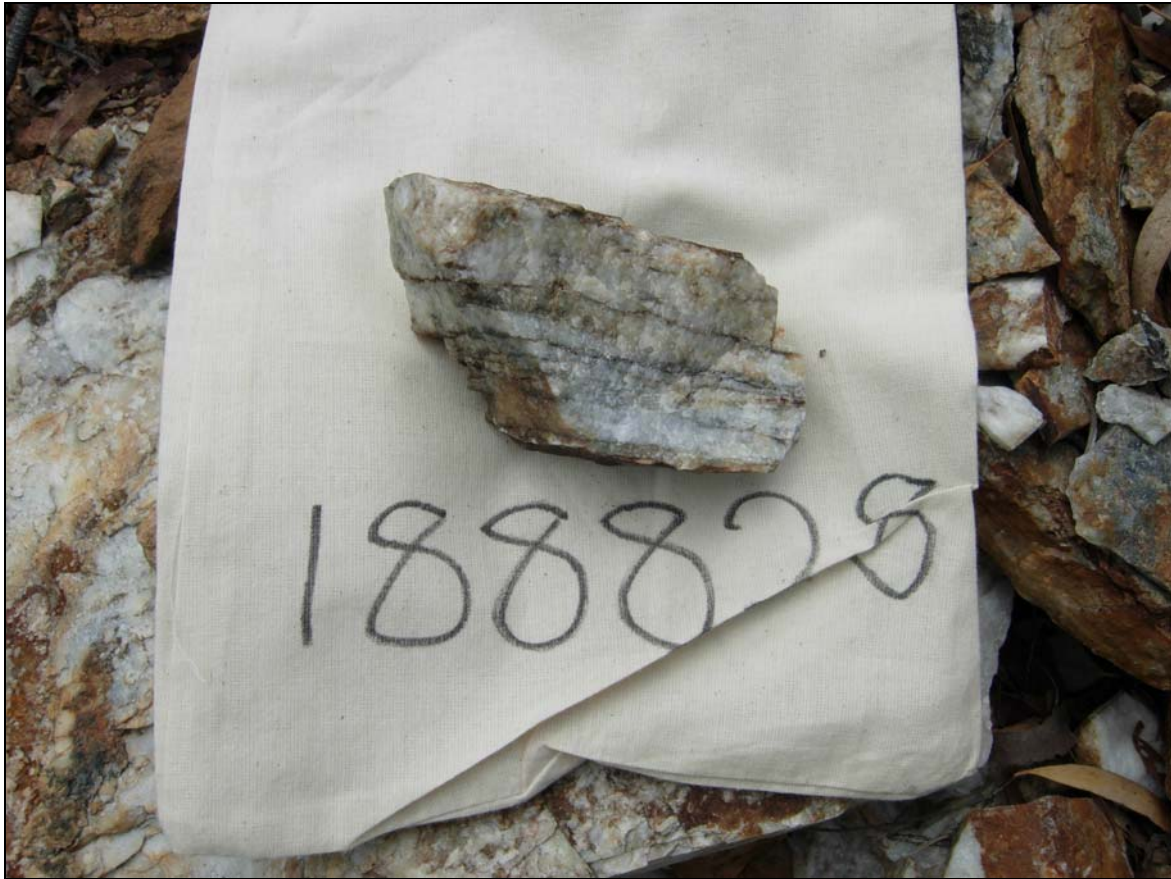
**Table 1: Rockchip assay results from East Hodgkinson area**

Sample No	Site	Easting	Northing	Au (g/t)
188826	Site 1	279918	8149345	0.15
188827	Site 1	279918	8149345	<b>7.79</b>
188828	Site 1	279918	8149345	<b>17.3</b>
188830	Site 1	279918	8149345	<b>43.5</b>
188831	Site 1	279918	8149345	0.7
188832	Site 1	279918	8149345	0.21
188833	Site 2	280756	8149360	<b>20.2</b>
188834	Site 2	280756	8149360	<b>2.97</b>
188835	Site 2	280756	8149360	0.69
188836	Site 2	280756	8149360	<b>6.14</b>
188837	Site 2	280766	8149323	<b>8.13</b>
188838	Site 2	280766	8149323	0.38
188839	Site 3	277617	8150095	0.36
CB001*	Cairns Battery	284474	8149016	<b>15</b>
CB002*	Cairns Battery	284474	8149016	<b>4.55</b>
CB003*	Cairns Battery	284474	8149016	<b>27.8</b>
CB004*	Cairns Battery	284474	8149016	<b>6.35</b>
CB005*	Cairns Battery	284474	8149016	<b>11.9</b>

\* Sample results provided by leaseholder Mike Collins



**Figure 1: General location of EPM 14647 and 14986**



**Plate 1: Sample 188828 – quartz with thin veins of sulphide – assayed 17.3 g/t gold**



**Plate 2: Sample 188830 – quartz with sulphide veins – assayed 43.5 g/t gold**