



Thursday 26 June 2008

Maiden Percyvale Gold Resource

Highlights

- **InterMet has received results from a comprehensive independent review of historical and current exploration data at the Company's north Qld based Percyvale gold deposit.**
- **Initial inferred gold resource for Percyvale indicates a shallow, high grade deposit containing 14,000 oz grading 4.1g/t Au to 40m depth only**
- **InterMet believes there is exceptional scope to increase this resource which is untested at depth**
- **Major drilling campaign to commence in 3rd Quarter 2008 targeting 50,000oz+ potential**

InterMet Resources (ASX:ITT) is delighted to announce an initial inferred resource of 106,000 tonnes @ 4.1 g/t Au containing 14,000 oz of Gold at its Union Mining Lease northern Queensland (ML3366, part of the Percyvale Project).

InterMet contracted independent Geological and Mining Resource Consultant, Doug McLean to review historical and current exploration data at Percyvale. This report calculated an inferred gold resource of 14,000 oz from 4 metres below the surface to a maximum depth of 40 metres (excluding areas of old underground workings).

Incorporate in resource calculations were the results of previous exploration by Kidston Gold Mines Ltd ("KGM"). Kidston drilled 12 RC holes at 50 m spacing across the lease and seven costeans across outcropping quartz veins. Kidston's drilling was aimed at providing supplementary ore for the Kidston Mine located approximately 60 km to the northeast.

Total recorded production from this mine is 4,173 tonnes of ore yielding 4,729.18 oz of bullion gold and a further 1965.05 oz Au, 8216.38 oz Ag and 59.7 t Cu. Historical records show that mining ceased due to the inability of miners at the time to conduct effective water management.

Operations Office
Unit 1
22 Maple Avenue
FORRESTVILLE SA 5035

Tel: +61 8 8351 3388
Fax: +61 8 8351 0023

InterMet Resources Limited
garyferris@intermetresources.com.au
info@intermetresources.com.au
ACN 112 291 960
www.intermetresources.com.au

Registered Office
Level 41 Australia Square
264-278 George Street
SYDNEY NSW 2000

Tel: +61 2 8221 0404
Fax: +61 2 8221 0407

Background – Historical KGM Exploration

KGM exploration undertook a 950 m costeaning program over the outcropping mineralised quartz veins at the Union ML. The resulting eight costeans were sampled with 2m continuous channel samples. Costean UC03 over the main area of mineralisation reported 32 m @ 4.52 g/t Au and numerous intervals of lower grade ore were reported in UC04 (see Table 1).

Of the KGM drilled RC holes, Table 2 summarises the best results which includes 2 m @ 24.3 g/t in hole PVRC02 and 6 m @ 4.77 g/t in hole PVRC08.

Recent InterMet Exploration

Initial exploration by InterMet comprised mapping and surface sampling to verify the results obtained by KGM.

The group of workings contains three distinct lodes, the Union, Cranky Dick, and Walkers. Historically only the Union was extensively worked and was known for its bonanza grade mineralization, with a sample from a stope reporting 96.46 oz Au per tonne. The average grade after hand sorting was 20-25% copper and 6.43 oz Au and 13.5 oz Ag.

Coarse gold is still collected from surface workings and initial sampling by InterMet in the second half of 2007 produced assay values for gold up to 197.42 g/t Au. A second program of surface sampling continued to show the Union Mine area contains bonanza grade gold with results of up to 184 g/t and copper values up to 32.2%.

InterMet recently completed 6 holes at ML 3366 for a total of 586 m (Figure 1). The best results are presented in Table 3. Hole URC002 was drilled to test the main interpreted zone of mineralisation. The drill hole intersected altered granite and rhyolite with two zones of gold mineralisation. InterMet reported a mineralised zone of 5 m @ 12.5 g/t Au 88-93 m (including 1 m @ 59.9 g/t Au from 88-89 m) and a zone of 6m @ 3.63 g/t Au (Table 3).

Results from hole URC005 show 1 m @ 12.4 g/t within a zone of 4 m @ 3.6 g/t at the same level as mineralisation within URC002, but located 70 m to the west. InterMet believes the ore zone is continuous between the holes.

InterMet's drilling, combined with historic data from the Union Mine, confirms that the reef structures associated with gold mineralisation have at least to 100m vertical depth extent. While previous exploration concentrated on the shallow oxide zone, InterMet's recent drilling was focussed on verifying the depth extent and tenor of the mineralisation.

InterMet is planning a second phase of drilling aimed at testing the down-dip extent of the two mineralised zones intersected in holes URC002 and URC005.

The Cranky Dick line of workings, located to the east-southeast of the main Union Mine area, were previously tested by a Kidston Gold Mines exploration program in 2000. Kidston's PVRC10 drill hole reported 2 m @ 1.31 g/t Au between 6-8 m and drill hole PVRC11 intersected 2 m at 2.6 g/t Au between 16-18 m. There is a distinct possibility that the entire structure constituting Cranky Dick is mineralised along its entire 400m strike length (Figure 2). InterMet believes that even if Cranky Dick returns lower grade ore, the volume could provide excellent tonnage potential for an open cut mining operation, and add significantly to the overall reserves of the Union area.

InterMet believes there is considerable scope to significantly increase the resource at the Union ML and is targeting a potential gold resource over 50,000 oz. InterMet is planning further drilling to assist in defining a larger JORC compliant resource for the Union mining lease.

InterMet is confident that the Forsyth and Percyvale Projects potentially contain significant gold resources and the Company will undertake further drilling at the Union, Percy West and Forsyth Leases in the 3rd Quarter 2008.

The information in this report that relates to Exploration Results is based on information compiled by Mr. Doug McLean, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr. McLean is a Consultant Geologist 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:

Mr Gary Ferris
Managing Director
InterMet Resources
Tel: +61 8 8351 3381
Mob 0423 259 488

Duncan Gordon
Investor Relations
0404 006 444

Table 1: Summary of significant results from Kidston Gold Mines Ltd costeaning program at Union Mining Lease

COSTEAN	FROM (m)	TO (m)	Length (m)	Au (g/t)
UC01	80	84	4	1.2
UC03	62	94	32	4.52
	96	98	2	0.23
UC04	32	36	4	0.59
	56	64	8	2.27
	128	130	2	4.4
	140	154	14	2.58
	164	166	2	3.15
	*128	172	44	1.21
UC06	28	30	2	2.4
UC07	66	70	4	0.53
UC08	8	16	8	0.34
	40	84	44	0.47

Table 2: Summary of significant results from Kidston Gold Mines Ltd drilling program at Union Mining Lease

Hole No.	FROM (m)	TO (m)	Length (m)	Grade (Au g/t)
PVRC2	44	46	2	24.3
PVRC3	6	8	2	1.66
	52	54	2	9.85
PVRC4	72	74	2	1.61
	88	90	2	1.07
PVRC5	0	2	2	1.87
	18	20	2	1.02
	22	24	2	1.19
PVRC6	18	20	2	2.2
PVRC7	28	30	2	1.95
	52	54	2	3.4
	68	74	6	1.12
includes	68	70	2	1.07
and	72	74	2	2.25
PVRC8	6	12	6	4.77
PVRC9	32	34	2	2.1
PVRC10	6	8	2	1.31
PVRC11	16	18	2	2.6

Table 4: Table of significant results from InterMet's April 2008 drilling program at Union Mining Lease

Drill Hole No	Sample No.	Interval (m)	Result (g/t Au)
URC002	24783	88 – 89	59.9
URC002	24784	89 – 90	1.1
URC002	24785	90 – 91	0.29
URC002	24786	91 – 92	0.32
URC002	24787	92 – 93	0.14
URC002	24793	98 – 99	2.23
URC002	24794	99 – 100	10.9
URC002	24795	100 – 101	1.7
URC002	24796	101 – 102	3.97
URC002	24797	102 – 103	2.43
URC002	24798	103 – 104	0.53
URC003	24899	100 – 101	1.2
URC004	24993	92 – 93	0.86
URC005	25095	94 – 95	0.62
URC005	25096	95 – 96	12.4
URC005	25097	96 – 97	0.99
URC005	25098	97 - 98	0.4

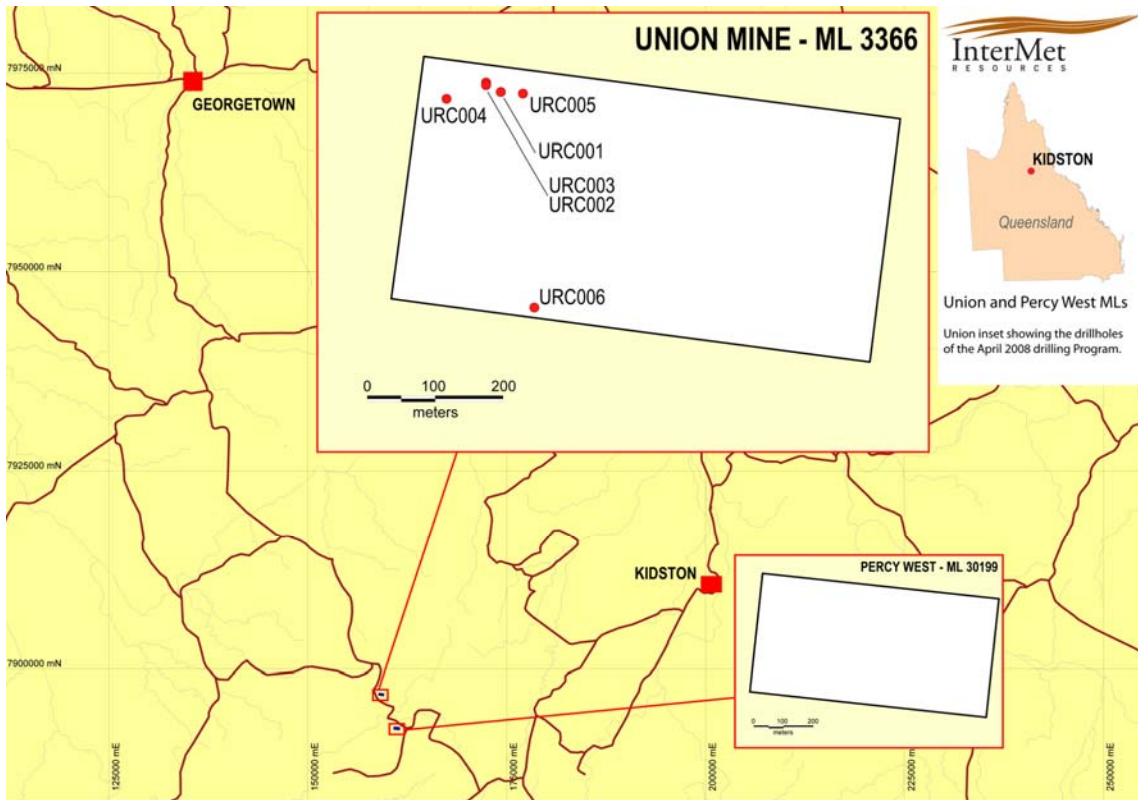


Figure 1: Location of Union Mining Lease (ML 3366) showing the drill hole locations of the InterMet drilling program, April 2008

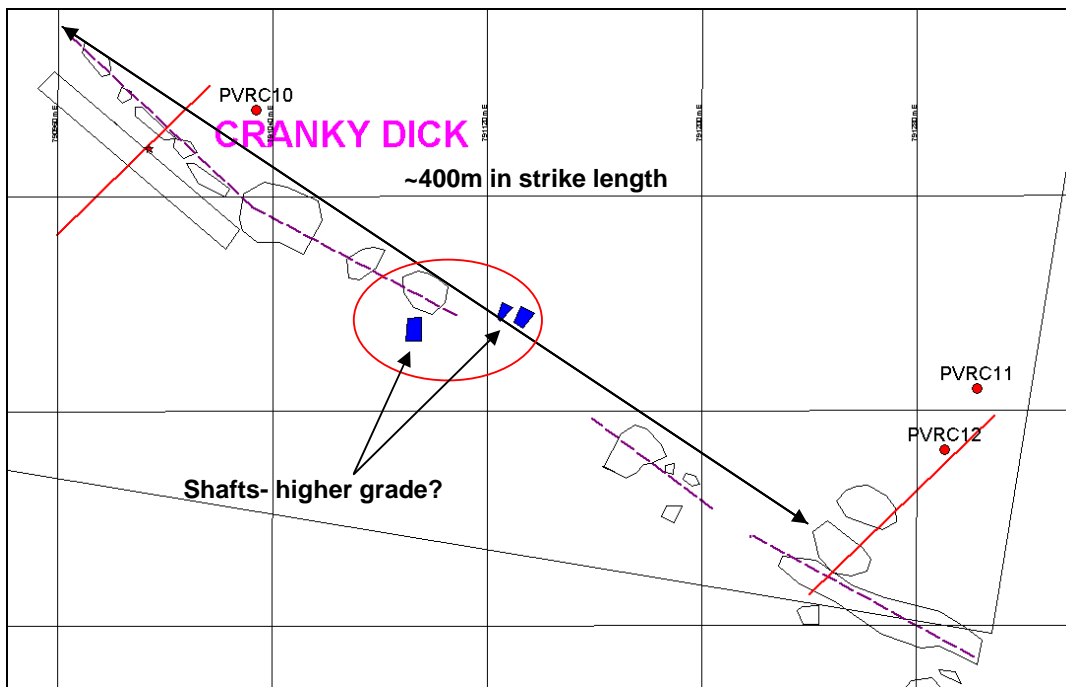


Figure 2: Plan of the Cranky Dick workings showing the Kidston Gold Mines Ltd drill holes