



Friday 18 July 2008

Drilling Commences at Paddy Iron Project, Queensland

Highlights

- **Drilling has commenced at Munderra Iron Project, northern Queensland targeting depth extents of near surface high grade iron mineralisation**
- **Drilling expected to be completed in one week with assay results expected in 6-8 weeks**

Drilling Program

InterMet Resources (ASX:ITT) is pleased to announce that drilling has commenced at the Company's Munderra Iron Project, located near Mt Garnet, northern Queensland. Up to ten holes are planned to determine the thickness of iron mineralisation at the Paddy Lease with this and future drilling aimed at defining a potential iron resource at Munderra.

Metallurgical testing of approximately 400kg of iron from the Paddy Mining Lease showed the iron grade ranged between 65.24 to 66.29% Fe.

The planned drilling program and subsequent programs will be aimed at quantifying the resource potential at Paddy as well as the ore potential in other tenement positions held by the Company.

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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