

Friday, 15 October 2010

Mt Lucy Sale Terminated

InterMet Resources Limited (ASX:ITT) advises that the agreement between the Company and Australian Jinhua Mining International Group Pty Ltd ("Australian Jinhua") to sell the Mt Lucy tenement has been terminated by Australian Jinhua.

Completion of the sale required the following conditions to be met:

1. Australian Jinhua Mining International Group Pty Ltd completing and being satisfied, at its sole and unfettered discretion, by the results of a number of investigations in respect of the mining lease;
2. the grant of a mining lease which is the subject of MLA20488, including the satisfactory resolution of an objection lodged by a third party against the grant of MLA20488;
3. the exercise of an option held by InterMet to acquire the resultant mining lease, with InterMet thereby becoming the registered holder; and
4. Subsequent sale of InterMet's interest in the mining lease to Australian Jinhua.

Australian Jinhua has elected to terminate the conditional sale agreement after undertaking a drill survey program and receiving a report by an independent geological consultant. Australian Jinhua concluded that they would be unable to meet their minimum target potential resource.

As a result the Company has fully written down its investment in the tenement and will be reviewing the tenement potential in light of the sale not proceeding.

About InterMet

InterMet is an Australian mining company listed on the Australian Securities Exchange (ASX:ITT). The Company is targeting the identification, exploration and development of bulk commodities in Australia and Indonesia.

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