

Friday, 20 July 2012

RESPONSE TO ASX QUERY

InterMet Resources Limited (ASX: ITT) (**InterMet**) has received notice from the ASX that it considers that the level of InterMet's operations is not sufficient to comply with Listing Rule 12.1, which states:

"The level of an entity's operations must, in ASX's opinion, be sufficient to warrant the continued quotation of the entity's securities and its continued listing".

InterMet is taking steps to ensure that the operations of the Company are sufficient to warrant continued listing on ASX. The InterMet board has been actively reviewing opportunities in Australia and internationally. InterMet will update shareholders at the appropriate time on the outcome of these reviews.

The InterMet board remains committed to positioning InterMet to enable it to be funded independently of Hillgrove Resources Limited, although Hillgrove remains supportive of InterMet until such time that InterMet has the ability to independently fund its activities.

At this stage, InterMet proposes to fund any acquisition by raising capital. To this end, shareholder approval was obtained at InterMet's AGM held on 28 June 2012 to issue up to 7,575,000 shares to sophisticated investors at an issue price that is not less than a 20% discount to the VWAP of the shares. However, InterMet has no specific plans to raise further capital at this time. The board of InterMet will consider its financing options once an acquisition is identified.

Any acquisition of assets will be made in accordance with the Listing Rules.

ASX requires that InterMet must comply with Listing Rule 12.1 (by identifying a suitable asset or business) by 17 January 2013, and if it fails to do so on or before that date, its securities may be suspended from quotation before the commencement of trading on 18 January 2013.

For more information, please contact:



Dean Brown
Director
InterMet Resources Limited
Tel: +61 8 8271 2480



Russell Middleton
Director
InterMet Resources Limited
Tel: +61 2 8247 9300