

**InterMet Resources Ltd**

ACN 112 291 960

**ASX Code:** ITT

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**Capital Structure**

Shares 100,500,500

Options 46,400,000

**Directors**

Mr. Andrew Richards  
Non- Executive Director

Mr. Scott Mison  
Non- Executive Director /  
Company Secretary

Mr. Barnaby Egerton-Warburton  
Non- Executive Director

## Acquisition and Placement

### KEY POINTS:

- **Acquisition of Lancaster Resources Pty Ltd, which includes four Australian mineral exploration projects and cash assets of \$450,000.**
- **Proposed placement of \$500,000 to sophisticated investors**

InterMet Resources Limited (ASX: ITT) ('InterMet' or 'Company') is pleased to announce that it has signed a binding Heads of Agreement ("HOA") for the acquisition of Lancaster Resources Pty Ltd ("Lancaster") and in conjunction is proposing to raise \$500,000 for ongoing exploration programs.

### Lancaster Resources Pty Ltd

Lancaster is a privately held company which has four Australian mineral exploration projects, including an option over a large landholding around the Rox Resources Ltd Mt Fisher East nickel project and the Cullen Resources Ltd Mt Eureka nickel project, and cash assets of approximately \$450,000. The four Lancaster projects are targeting nickel sulphides, tungsten and gold and are a synergistic fit with existing InterMet projects.

- **Mt Jewell (WA)** - historical drilling has intersected nickel sulphides 65km north of Kalgoorlie and there is also potential for gold mineralisation.
- **Wilks Creek (VIC)** – centred on a historical tungsten mine, exploration has defined strong, large tungsten anomaly that has been advanced by Lancaster to a drill ready target.
- **Royal Tasman (TAS)** – targeting granite related, sediment hosted gold and greisen hosted tin mineralisation. In an area of historical gold and tin mining.
- **Nickel First (WA)** – Lancaster has an option to acquire a 100% interest in four tenements totalling 463.99 sqkm located and adjoining the Rox Resources Ltd Mt Fisher East project near Wiluna. The projects are prospective for disseminated and semi massive Kambalda style nickel mineralisation as well as gold.

The proposed transaction will see InterMet acquire 100% of the share capital in Lancaster by way of a share sale agreement with existing Lancaster shareholders. The acquisition price for 100% equity in Lancaster is \$700,000 payable by the issue of 140,000,000 fully paid InterMet ordinary shares which will be escrowed for 3 months.

The acquisition of Lancaster would provide a further cash injection for InterMet, and a significant exploration portfolio which would complement InterMet's 8 Mile Creek and Calypso projects. Both the Acquisition of Lancaster and the Placement are subject to InterMet shareholder approval, and a NOM will be lodged once InterMet has received acceptance from Lancaster shareholders.

## Proposed Placement

InterMet has executed a capital raising mandate with Merchant Group Pty Ltd to place 100,000,000 shares at an issue price of \$0.005 per share, with a free 1:2 attaching option exercisable at \$0.01 on or before 1 July 2016. The Placement will be to sophisticated investors and will raise a total of A\$500,000 before costs. The placement will be subject to shareholder approval.

## **Unaudited Pro Forma Balance Sheet as at 30 June 2013**

	ITT	LAN	PRO-FORMA ADJUSTMENTS		CONSOLIDATED PRO-FORMA BALANCE SHEET
<b>Assets</b>					
Cash On Hand	159,976	470,661	500,000	-30,750	1,099,887
Prepaid Insurance	6,298	-			6,298
TFN Withholding Credits	-	1,628			1,628
Other current assets	2,500	5,000			7,500
<b>Total Current Assets</b>	<b>168,774</b>	<b>477,289</b>			<b>1,115,313</b>
Tenements	-	65,843			65,843
Exploration write off	-	-38,532			-38,532
Furniture & Fittings	138	-			138
Exploration & Evaluation Investment - Lancaster	154,176	-	700,000	-	154,176
				700,000	0
<b>Total Assets</b>	<b>323,087</b>	<b>504,599</b>			<b>1,296,936</b>
<b>Liabilities</b>					
Accruals	9,350	1,500			10,850
Trade Creditors	18,389	1,934			20,323
Loan - Western Premium	6,296	-			6,296
GST Paid	-5,206	-269			-5,474
Payroll Liabilities	6,825	-			6,825
<b>Total Liabilities</b>	<b>35,654</b>	<b>3,165</b>			<b>38,819</b>
<b>Net Assets</b>	<b>287,433</b>	<b>501,435</b>			<b>1,258,117</b>
<b>Equity</b>					
Shareholders Equity	6,481,079	575,000	1,200,000	-	7,556,079
Option Valuation Reserve	-	28,485		700,000	28,485
Capital Raising Fees	-30,750	-	-30,750		-61,500
Retained Earnings	-6,065,182	-98,482			-6,163,664
Current Year Earnings	-97,714	-3,569			-101,283
<b>Total Equity</b>	<b>287,433</b>	<b>501,435</b>			<b>1,258,117</b>

## Adjustments

1. Share Issue - \$500,000 for exploration of 8 Mile Creek and due diligence on Calypso projects.
2. Share issue to LAN shareholders for acquisition of LAN

## Use of Funds

<b>USE OF FUNDS</b>	<b>A\$500,000</b>
<b>8 Mile creek</b> <ul style="list-style-type: none"><li>- Data review compilation</li><li>- Regional geological mapping &amp; Sampling</li><li>- Soil Sampling</li><li>- Reconnaissance RC drilling</li></ul>	\$220,000
<b>Calypso</b> <ul style="list-style-type: none"><li>- Twinning of existing drill holes to confirm previously identified mineralisation</li><li>- Manning, field supplies etc</li></ul>	\$120,000
Working Capital	\$129,250
Expenses of the Offer	\$30,750

The cash acquired within Lancaster will be used for exploration on the Lancaster tenements and working capital for the consolidated entity.

## Capital Structure

The following illustrates the change in InterMet's capital structure following the Lancaster acquisition and fund raising placement.

<b>Capital Structure</b>	<b>Shares</b>	<b>Options</b>	<b>Cash (A\$)</b>
Current capital structure	100,500,500	46,400,000	\$100,000
Lancaster Acquisition	140,000,000	1,500,000	\$450,000
Placement	100,000,000	80,000,000	\$500,000
<b>TOTAL</b>	<b>340,500,500</b>	<b>127,900,000</b>	<b>\$1,050,000</b>

## InterMet company status

Due to the recent granting of the 8 mile Creek project, InterMet is pleased to announce that it has discussed its ongoing status as a resources company with the ASX and is no longer required to re comply with Chapters 1 and 2 of the ASX Listing Rules should it decide to exercise the Calypso option, or settle on any other transaction contemplated in this announcement. Furthermore, InterMet will be removing any escrow previously applied to participants of the \$500,000 placement completed in January 2013.

InterMet Director Scott Mison commented "On completion of the Lancaster transaction and the Placement, InterMet will have approximately \$1m cash in the bank with several high quality projects and drill ready targets. The clarification from ASX confirming our status as a resources company means we can rapidly progress exploration and review further acquisition opportunities for the company".

**ENDS**

**For more information please contact:**  
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