



# ASX/Media Release

Dated: 11 July 2017



## INTERMIN COMMENCES MAJOR DRILL PROGRAM

### HIGHLIGHTS

- 32,000m drill program to target multiple gold prospects in the Kalgoorlie Region underway
- Key aspects of the fully funded program include:
  - Approximately half of budgeted drill metres targeting new discovery
  - Resource infill, geotechnical, hydrogeological and metallurgical drilling at the Goongarrie Lady deposit to complete the open pit mine development Feasibility Study<sup>1</sup>
  - Resource validation and expansion drilling at the recently acquired Anthill deposit and exploration drilling along strike at the Blister Dam project which are both located on the highly prospective Zuleika Shear northwest of the Kundana goldfield
  - Resource expansion drilling at the new high-grade Jacques Find deposit including testing two priority IP anomalies along strike at the Yolande prospect
  - Exploration drilling on Bardoc Tectonic Zone projects at the Olympia, Baden Powell and Windanya prospects
- First results expected in the current Quarter



**Figure 1: First drilling at the 3km long gold-in-soil Olympia gold prospect**

Commenting on the start of the major drill program, Intermin Managing Director, Mr Jon Price said:

“With significant free cash flow being generated from our first mining project at Teal, the Company is now targeting exploration success as we kick off the largest drill program in Intermin’s history.

New discovery drilling comprises more than 50% of the \$2.2m program with priority walk up targets on the prolific Zuleika Shear and Bardoc Tectonic Zone. Most of these targets have not been drill tested for 20 years or beyond 100m depth and large discoveries are still being made in the region”.

<sup>1</sup> See Competent Persons Statement on page 10 and Forward Looking and Cautionary Statements on page 11

ASX CODE  
IRC, IRCOA

SHARE PRICE  
\$0.087

SHARES ON ISSUE  
218.4M

OPTIONS (IRCOA)  
23.7M (\$0.17)

OPTIONS (UNLISTED)  
5.0M (\$0.075)  
1.75M (\$0.125)

MARKET CAP  
~19.0M (undiluted)

### BOARD

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### COMPANY SECRETARY

Bianca Taveira

### INVESTOR/MEDIA ENQUIRIES

Jon Price  
Lorry Hughes

### KEY GOLD PROJECTS

Teal  
Goongarrie Lady  
Anthill  
Windanya  
Blister Dam  
Kanowna North  
Yarmony  
Black Flag  
Olympia

### WEBSITE

[www.intermin.com.au](http://www.intermin.com.au)

## Overview

Intermin Resources Limited (ASX: IRC) ("Intermin" or the "Company") is pleased to announce the commencement of a major discovery and Resource expansion drill program at its 100%-owned gold projects in the Kalgoorlie Region of Western Australia (Figure 2).

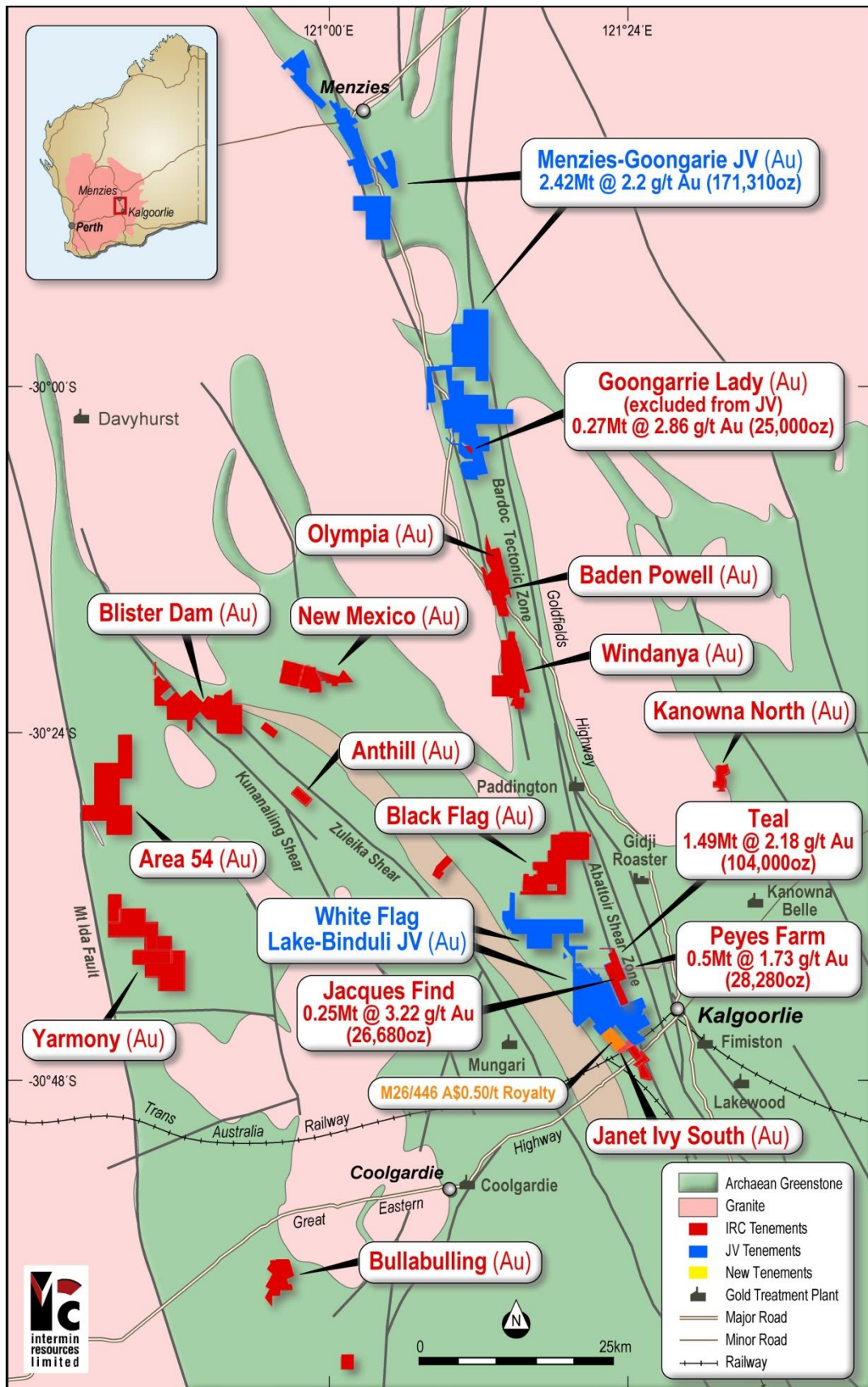


Figure 2: Project location plan and associated infrastructure



During the last six months, the Company has compiled and reviewed the large geological database comprising geochemical, geophysical and historic drilling datasets in order to identify priority targets for ranking and drill testing. Extensive field reconnaissance investigations were undertaken to confirm the targets and finalise the design of the FY2018 program.

A summary of the program is shown below:

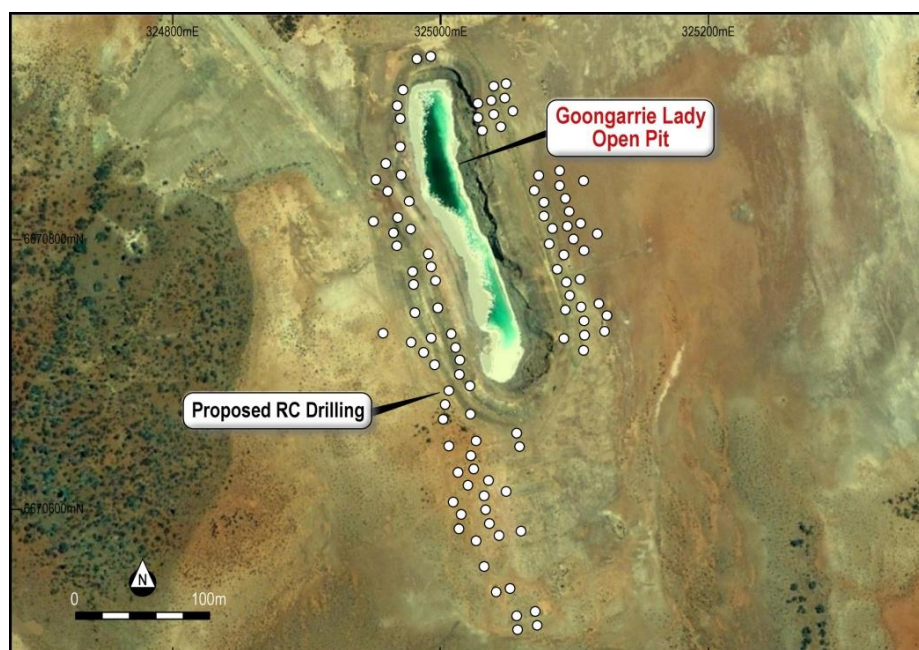
Project	Total Metres	Comments
Goongarrie Lady	5,070	Resource upgrade to “Measured” for Feasibility Study
Anthill	7,650	Validation and extensional upgrade for JORC 2012
Blister Dam / New Mexico	6,700	New discovery drilling to 250m depth targeting “Kundana” style open cut and underground mineralisation
Baden Powell	1,100	New Resource drilling to upgrade to JORC 2012
Olympia / Windanya	3,150	First pass testing of identified anomalies
Jacques Find / Peyes Farm	1,280	Resource extension drilling
Regional Projects	1,400	First pass testing of priority targets at Black Flag, Bullabulling and Janet Ivy South
Follow up provision	5,250	Drilling based on initial results received
<b>TOTAL</b>	<b>31,600</b>	

## Goongarrie Lady

In the March Quarter the Company completed a positive Scoping Study for the development of a shallow, open pit gold mine comprising 142,000t @ 3.40g/t Au for a contained 15,639 ounces<sup>1</sup>. To advance the project to an improved level of confidence for a Feasibility Study, Resource infill, geotechnical, hydrogeological and metallurgical drilling is required.

Up to 5,070m of reverse circulation (“RC”) drilling will be completed to allow the majority of the mineralisation to report to the Measured Resource category. The holes will have an average depth of 50m with some collars positioned 10m apart to assess the short range variability of the oxide and transitional mineralisation.

The remaining compilation of technical data for geotechnical and groundwater assessment will utilise diamond and RC drilling after the Resource infill program is completed in the September Quarter. In addition, several holes have been planned for metallurgical analysis and waste dump sterilisation. An updated JORC Compliant Mineral Resource Estimate (“JORC Resource”) is planned for completion in the December Quarter.



**Figure 3: Proposed RC Drilling at Goongarrie Lady**

<sup>1</sup> As announced to the ASX on 3 April 2017. See also Forward Looking and Cautionary Statements on page 11

## Anthill

Since acquiring the Anthill project and JORC 2004 Resource in March 2017<sup>1</sup>, Intermin has reviewed the geological database, inspected historic diamond core and conducted several orientation site visits. It has been noted that many of the historic holes have been drilled oblique and parallel to the predominant regional mineralised structure, the Zuleika Shear. The use of at least three drilling grids at the prospect has made orebody interpretation and modelling challenging.

The mineralisation itself is inherently complex and comprises gold within multiple stockworks, quartz vein sets and shears of variable orientation. Previous geological interpretations showed only moderate correlation from section to section through the deposit, in part due to the lack of consistent drilling data. Intermin has concluded that the database and mineralisation interpretation requires detailed confirmation drilling for verification prior to compilation of a JORC 2012 Resource.

Intermin will initially drill a diamond “variability” core hole to help validate the proposed mineralisation model, examine the mineralisation and vein orientations and obtain specimens for metallurgical and physical properties testing. If specific physical properties coincident with mineralisation are noted, an Induced Polarisation (“IP”) survey will be undertaken.

Once the diamond hole is complete, assays returned and the geological interpretation verified, an RC drill program will be undertaken on a 20m x 20m grid. A total of 50 holes for 6,650m is planned to test the mineralisation to approximately 180m depth. Several holes are planned to target adjacent, parallel structures with a view to expanding the Anthill mineralisation. A new JORC 2012 compliant resource will be calculated shortly after all the assays and QA/QC checks are received.

Several other prospects have been identified at Anthill (Figure 4) including Fire Ant (3km north of Anthill) where an area of 1.6 Ha has been cleared and scraped for alluvial gold by prospectors. Earlier workers also delineated a moderate soil anomaly in this location and within the underlying laterite horizon. Despite the obvious signs of surface gold, this area has received limited shallow drilling. Several shallow, historic RAB holes recorded low levels of probable supergene gold nearby which adds to the prospectivity. Approximately 1,000m of “new discovery drilling” will be undertaken shortly after the Resource program is completed.

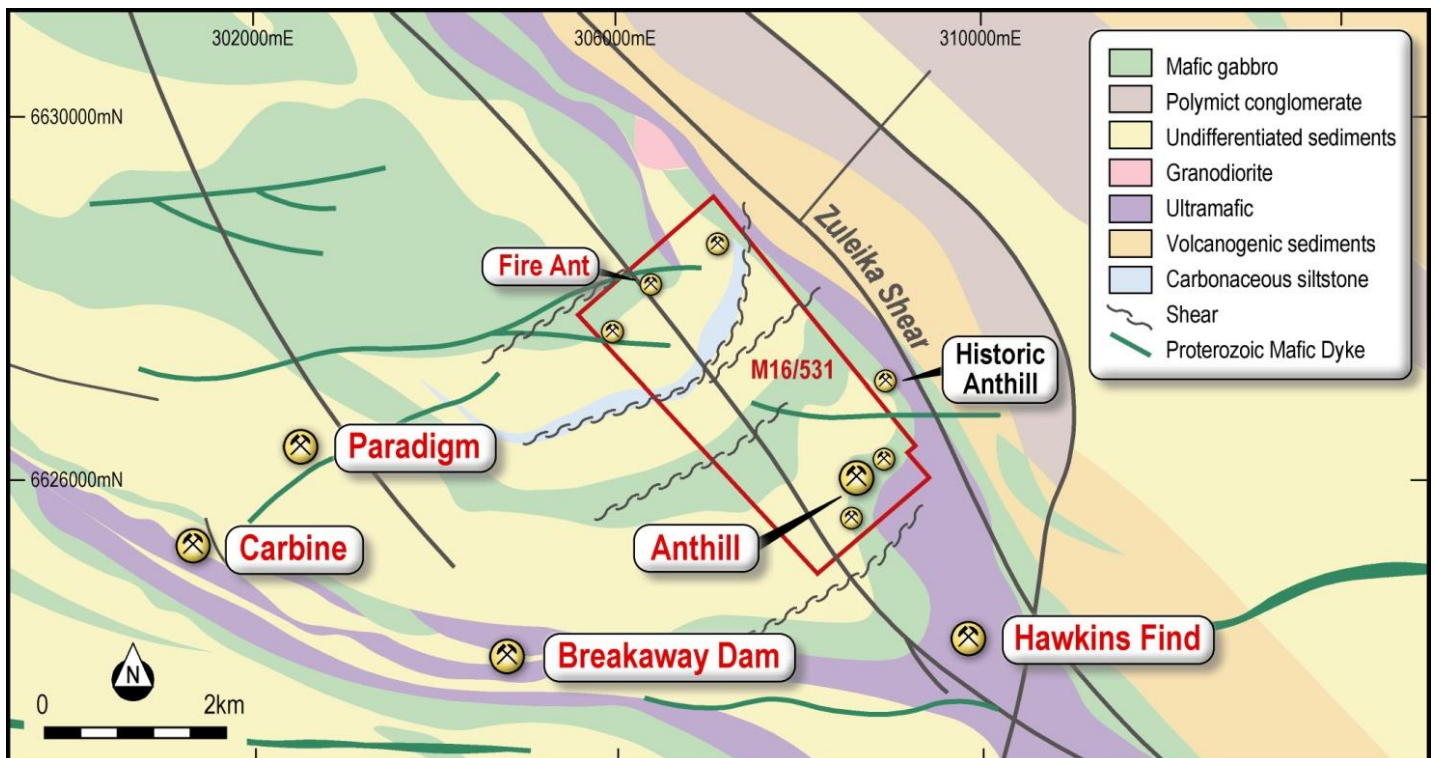


Figure 4: Anthill prospect geology plan

<sup>1</sup> As announced to the ASX on 8 March and 6 July 2017

## Blister Dam / New Mexico

Over the last six months, the Company has compiled and reviewed the large Blister Dam geological database comprising geochemical, geophysical and historic drilling information and conducted extensive field reconnaissance work to identify priority drill targets for the FY2018 program. This region, northwest of the Kundana Goldfield, have a similar geological setting to the large open cut and underground deposits including Frog's Leg, Raleigh, Millennium and Bullant.

A total of 21 individual prospects are planned to be drill tested with a combination of air core and RC methods along two significant northwest trending mineralisation zones (Figure 5). Several targets occur on the well-known Zuleika Shear, where historic drill holes have intersected two distinct gold mineralisation styles; thin high grade quartz veins and shear zones hosting broad widths (>40m) of disseminated low grade gold.

The second trend, south and subparallel to the Zuleika Shear, appears to be located near an ultramafic contact. This trend continues southeast towards the Carbine - Paradigm deposits held by Northern Star Resources Limited. Some small workings are present in this southern zone (Figure 6) and a recent rock chip sample of the quartz vein returned 6.0g/t Au. Historical drilling beneath this old shaft also recorded an encouraging 9m @ 3.43g/t Au and is a priority target for follow up.

Intermin has allocated approximately 5,700 drill (AC and RC) metres to the Blister Dam project. In addition to the drilling, Intermin has engaged Southern Geoscience to assist in the planning of an IP survey later in the year at Blister Dam. Any targets identified by the IP survey will be drill tested later this year.

At the New Mexico prospect, Intermin will complete up to 1,000m of drilling to test several gold-in-soil auger anomalies delineated in 2016.

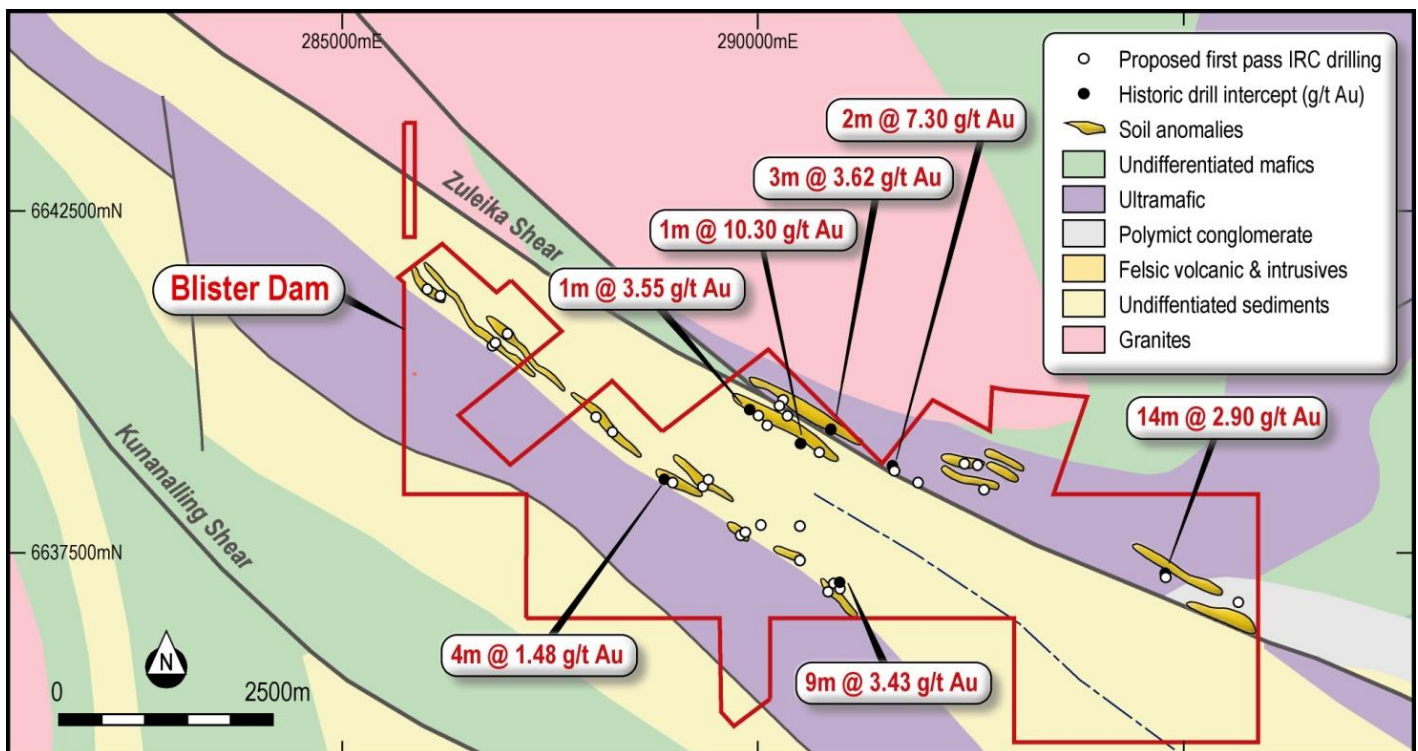


Figure 5: Proposed drilling at Blister Dam





**Figure 6: Priority target, looking west at an old shaft near Blister Dam**

## Baden Powell

At the Baden Powell prospect, located 60km northwest of Kalgoorlie, Intermin completed a limited RC program in late 2016 which tested some targets north of the historic 15m deep Baden Powell pit. The drilling failed to confirm reports of significant historic mineralisation in this area. The earlier work by previous owners in 2015 was again revisited and several pit mapping inspections were conducted to assess the potential for depth extensions. The small open cut at Baden Powell provides some useful structural insights into the mineralisation, as a sub-vertical shear zone containing quartz veins and stock works have been noted in the southern half of the pit (Figure 7).



**Figure 7: Primary gold structure at Baden Powell**



Historic drilling has returned some encouraging deeper results that remain open in several directions including;

- RC/DD5 - 5m @ 3.36g/t Au from 97.5m and 4m @ 3.10g/t Au from 103m
- RC/DD6 - 6m @ 4.01g/t Au from 78m
- BPRC1509 - 6m @ 3.22g/t Au from 89m

The intercepts are particularly encouraging as the deepest southern holes appear to suggest gold grade may improve with depth. There is no drilling south or below this. Four RC holes for 500m are initially planned for the south at Baden Powell. Five additional RC drill holes (600m) will be considered subject to these initial results.

## Olympia / Windanya

Intermin has conducted several field visits to the Olympia prospect and inspected sites where a 3,800m by 500m +25ppb gold-in-soil auger anomaly has been defined (maximum assay 169ppb Au). The anomaly is located 2km northeast and strike parallel to the Baden Powell pit prospect (*refer Intermin March 2017 Quarterly Report*). The area has very little outcrop, is dominated by in situ laterite and calcrete and appears to be located near a major mafic/felsic contact.

The dominant historic activity noted is the excavation of several shallow test pits in calcrete and larger areas that appear to have been cleared, scraped, detected for gold and are now rehabilitated (Figure 8). Some old RAB hole collars have been located on the ground however these are situated away from the areas of interest.

A number of surface samples were taken of the laterite, calcrete and some transported rocks. Some calcrete blanket samples returned assays up to 114ppb Au which is encouraging and confirms that anomalous gold is widespread. One (transported) sample of a brecciated quartz vein-ironstone rock returned 0.34g/t Au in an area containing auger values of 133ppb and 169ppb Au. This area, amongst others, will be drill tested as a priority.

Intermin has assigned an initial first pass 1,600m air core drilling to Olympia. Once the results are received, and if warranted, a second pass RC program of 1,500m has been scheduled for FY2018.



**Figure 8: Typical scene at the Olympia prospect showing rehabilitated area after scraping and detecting.**

## Jacques Find / Peyes Farm

During the March quarter Intermin released an initial JORC Resource for the Jacques Find (26,680oz Au) and Peyes Farm prospects (28,280oz Au)<sup>1</sup>. Both prospects have significant potential to expand in size at depth and along strike as the mineralisation is open in all directions. At Jacques Find, a black shale unit has proven to be a useful marker horizon for gold mineralisation as gold is located on both sides of it and also close to a porphyry/felsic volcanic/volcanoclastic rock contact (Figure 9).

<sup>1</sup> See Resource Table and Competent Persons Statement on Page 10

With this in mind, Intermin has reviewed an historic IP survey completed in 2002 against its recent successful RC drilling results. Two bullseye conductors are observed at the Yolande prospect, 400m along strike north of Jacques Find (Figure 10). An historic drill hole aimed to test the larger IP anomaly appears to have been sited too far to the west and missed the main conductor.

Black shales are often highlighted with IP surveys and the Company believes that if they are identified at the Yolande prospect conductor with associated gold mineralisation, it may lead to some significant upside. Intermin intends to drill both of these conductors. Several holes will also be drilled north and south of the Jacques Find Resource to potentially expand the deposit strike length.

In addition, one hole is planned at the Peyes Farm prospect to follow up RC hole PFRC16121 which returned **13m @ 5.42 g/t Au from 55m** from the Company's 2016 drilling program.

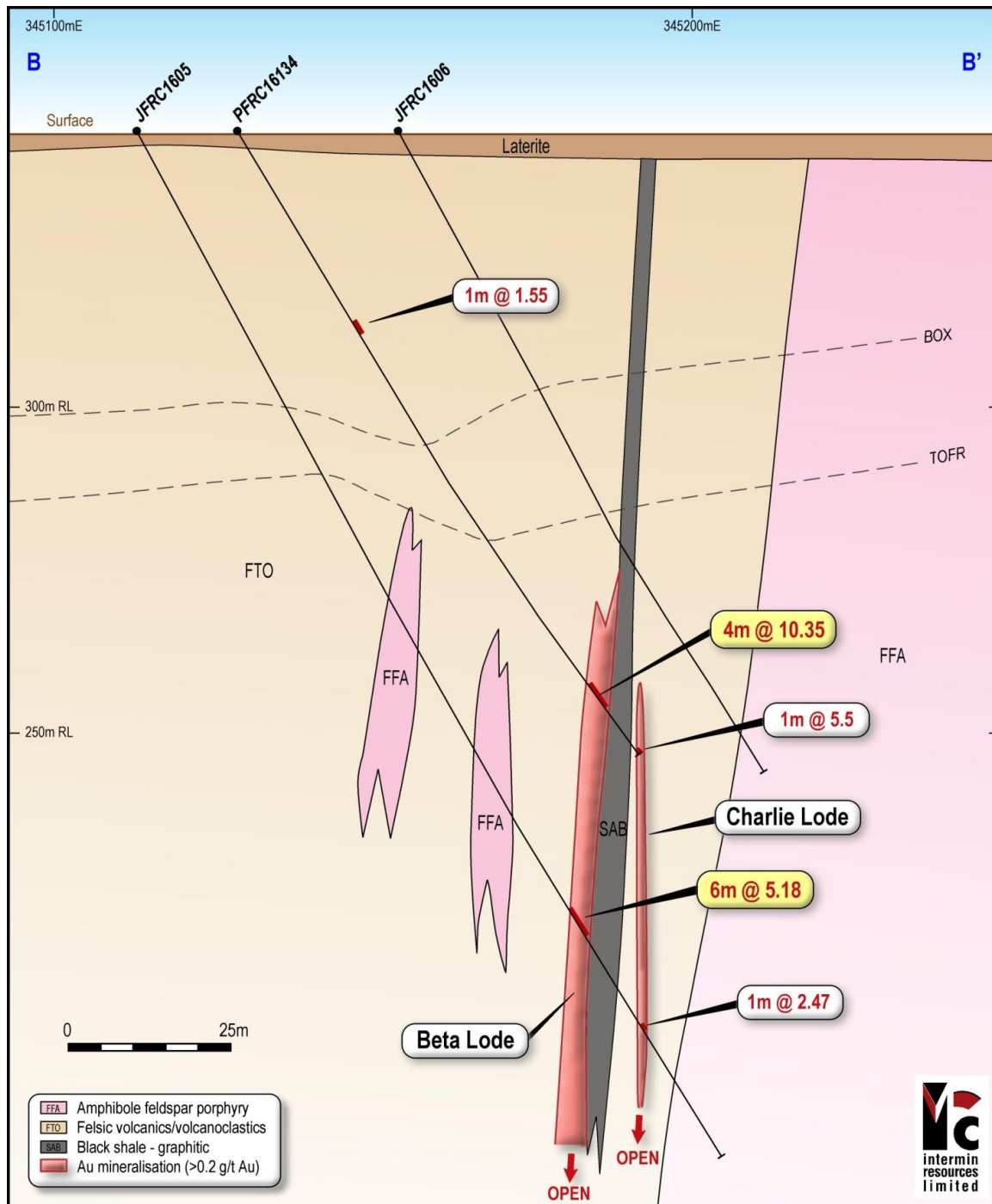
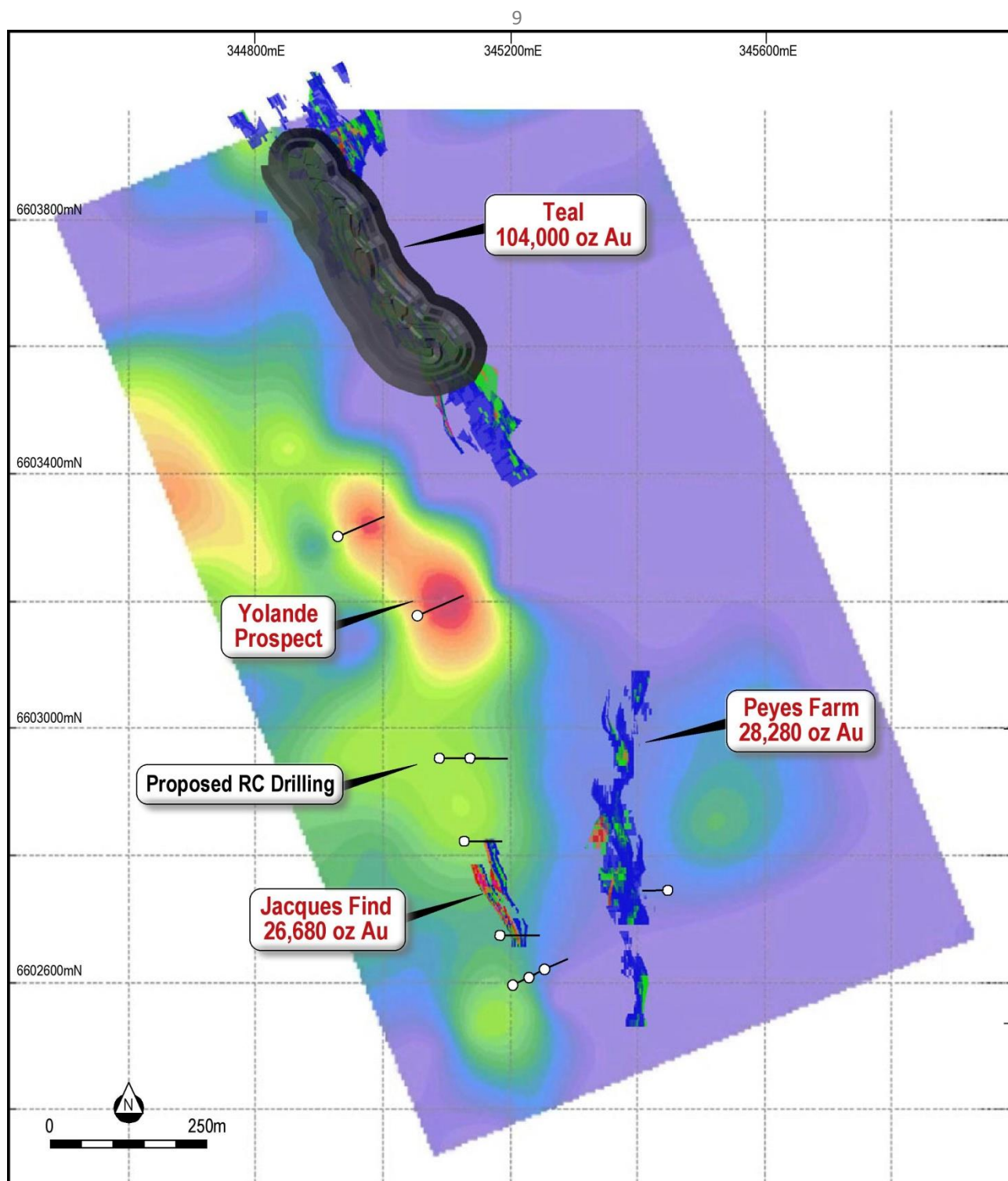


Figure 9: Cross Section at Jacques Find showing the relationship of the gold mineralisation and black shale.





**Figure 10: Proposed drill holes at Jacques Find, Yolande and Peyes Farm (the background image is a horizontal slice at 100m depth showing the conductivity results of an historic IP survey).**

## Regional Projects

Intermin has generated several less advanced targets within its project portfolio and these may be tested with limited drilling once they are further refined. These include:

- Bullabulling - follow up drilling to an historic intercept of 8m @ 1.85g/t Au close to a basalt/sediment contact
- Janet Ivy South - follow up drilling to recent intercepts of 3m @ 4.87g/t Au and 2m @ 3.32g/t Au
- Black Flag, Yarmony, Area 54, Kanowna North and Windanya - target generation activity, possible drilling

## About Intermin

Intermin is a gold exploration and mining company focussed on the Kalgoorlie and Menzies areas of Western Australia which are host to some of Australia's richest gold deposits. The Company is developing a mining pipeline of projects to generate cash and self-fund aggressive exploration, mine developments and further acquisitions. The Teal Stage 1 gold mine is currently in production.

Intermin is aiming to significantly grow its JORC-Compliant Mineral Resources, complete definitive feasibility studies on core projects and build a sustainable development pipeline.

Intermin is targeting the definition of significant high grade open cut and underground gold deposits, has acquired highly prospective tenure and will continue to actively pursue consolidation and value-adding joint venture opportunities for the benefit of all stakeholders.

## Intermin Resources Limited – Summary of Gold Mineral Resources

Deposit (1g/t cut-off)	JORC Code	Measured			Indicated			Inferred			Total Resource		
		Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
<b><u>Menzies</u></b>													
Pericles	2012				0.53	2.49	42,500				0.53	2.49	42,500
Yunndaga	2012							1.58	2.03	103,000	1.58	2.03	103,000
Bellenger	2012				0.24	2.63	19,900	0.07	2.49	5,910	0.31	2.59	25,810
<b><u>Kalgoorlie</u></b>													
Teal	2012	0.33	2.56	27,423	0.61	1.98	38,760	0.55	2.25	38,260	1.49	2.18	104,443
Peyes Farm	2012				0.15	1.74	8,300	0.36	1.72	19,980	0.51	1.73	28,280
Jacques Find	2012							0.26	3.22	26,680	0.26	3.22	26,680
Goongarrie	2012				0.20	3.30	21,321	0.07	1.64	3,707	0.27	2.86	25,028
<b>TOTAL</b>		<b>0.33</b>	<b>2.56</b>	<b>27,423</b>	<b>1.73</b>	<b>2.36</b>	<b>130,781</b>	<b>2.89</b>	<b>2.13</b>	<b>197,537</b>	<b>4.95</b>	<b>2.24</b>	<b>355,741</b>

### Notes:

**1. Competent Persons Statement** - The information in this report that relates to Exploration results, Mineral Resources or Ore Reserves is based on information compiled by Messrs David O'Farrell, Simon Coxhell and Andrew Hawker. All are Members of the Australasian Institute of Mining and Metallurgy and are consultants to Intermin Resources Limited. The information was prepared and first disclosed under the JORC Code 2004 and has been updated to comply with the JORC Code 2012. Messrs O'Farrell, Coxhell and Hawker have sufficient experience that is relevant to the style of mineralisation, type of deposit under consideration and to the activity that they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration, Results, Mineral Resource and Ore Reserves'. Messrs O'Farrell, Coxhell and Hawker consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

**2. Forward Looking Statements** - No representation or warranty is made as to the accuracy, completeness or reliability of the information contained in this release. Any forward looking statements in this release are prepared on the basis of a number of assumptions which may prove to be incorrect and the current intention, plans, expectations and beliefs about future events are subject to risks, uncertainties and other factors, many of which are outside of Intermin Resources Limited's control. Important factors that could cause actual results to differ materially from the assumptions or expectations expressed or implied in this release include known and unknown risks. Because actual results could differ materially to the assumptions made and Intermin Resources Limited's current intention, plans, expectations and beliefs about the future, you are urged to view all forward looking statements contained in this release with caution. The release should not be relied upon as a recommendation or forecast by Intermin Resources Limited. Nothing in this release should be construed as either an offer to sell or a solicitation of an offer to buy or sell shares in any jurisdiction.

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## Forward Looking and Cautionary Statements

Some statements in this report regarding estimates or future events are forward looking statements. They include indications of, and guidance on, future earnings, cash flow, costs and financial performance. Forward looking statements include, but are not limited to, statements preceded by words such as “planned”, “expected”, “projected”, “estimated”, “may”, “scheduled”, “intends”, “anticipates”, “believes”, “potential”, “could”, “nominal”, “conceptual” and similar expressions. Forward looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward looking statements may be affected by a range of variables that could cause actual results to differ from estimated results, and may cause the Company’s actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward looking statements. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licenses, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for among other things, capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management’s ability to anticipate and manage the foregoing factors and risks. There can be no assurance that forward looking statements will prove to be correct.

Statements regarding plans with respect to the Company’s mineral properties may contain forward looking statements in relation to future matters that can only be made where the Company has a reasonable basis for making those statements.

This announcement has been prepared in compliance with the JORC Code (2012) and the current ASX Listing Rules.

The Company believes that it has a reasonable basis for making the forward looking statements in the announcement, including with respect to any production targets and financial estimates, based on the information contained in this and previous ASX announcements.