ACN 007 761 186

And Controlled Entities

Report for the Half-Year Ended 31 December 2011

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Corporate Particulars

Directors
Peter H Hunt (Chairman)
Michael Ruane
Jon W Brien

Joint Company Secretaries
Bianca Taveira
Ross Paterson

Registered Office
C/- RSM Bird Cameron
Suite 1
18 Parry Street
FREMANTLE WA 6160
T 08 9336 1266 | **F** 08 9430 6744

Principal Place of Business
159 Stirling Highway
NEDLANDS WA 6009
T 08 9386 9534 | **F** 08 9386 9473

Share Registry
Corporate Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St George's Terrace
PERTH WA 6000
T 08 9323 2000 | **F** 08 9323 2033

Auditors
BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008
T 08 6382 4600 | **F** 08 6380 4601

Bankers
National Australia Bank Ltd

Directors' Report

Your Directors present their report on the consolidated financial statements for the half-year ended 31 December 2011.

Directors

The following persons hold office as Directors of Intermin Resources Ltd at the date of this report or were Directors at a time during the half-year:

Peter Hayden Hunt, FCA (Chairman)

Jon William Brien, AWASM, BSc. (Hons)

Michael Ruane, PhD MRACI

Review and Results of Operations

The principal continuing activity of Intermin Resources Ltd and its controlled entity during the half year to 31 December 2011 was exploration for and development of mineral deposits.

The economic entity incurred a profit of $10,344 (2010: Profit $1,222,272) for the half year.

During the half year to 31 December 2011 Intermin Resources Ltd progressed well on a number of fronts.

Exploration and development activities accelerated during the period following receipt of funds from the Entitlements Issue in March ($2,480,000) and the sale of the Company's holding in Jinka Minerals Ltd to Kentor Gold Ltd ($2,943,776).

Further exploration was undertaken at the Menzies and Binduli gold projects with good results. However, development of the Teal gold deposit at Binduli has been delayed by hold up of the grant of a key Miscellaneous Licence.

Toward the end of the period, Intermin acquired the minority interests in the Menzies Gold Project (from Regal Resources Ltd) and the Nanadie Well copper-gold project resulting in 100% ownership of these key projects. Exploration activity at both projects has increased following the acquisitions and removal of funding limitations of the minority parties.

Exploration at the Lady Shenton prospect (Menzies) has significantly increased the gold resource at this prospect and the mineralisation remains open in most directions. Resource estimation is in progress for Lady Shenton and should be available around the end of the first quarter in 2012.

Recent drilling at the First Hit prospect at Menzies resulted in a number of high grade gold intercepts. Further drilling is planned to establish the potential of this sector to provide high grade ore for sale or treatment by ore processors in the district. Vigorous exploration at the exciting Menzies project is planned for the forthcoming annual period.

In November 2011, the Company completed its first round of drilling at the Nanadie Well Copper-Gold Project since acquiring 100% interest in the project. The encouraging results obtained were reported in the December 2011 Quarterly Report. Further drilling is planned for the Nanadie Well project early in 2012.

Intermin also made excellent progress on its Wiluna Calcines project during the period. The pilot plant to test the scale up potential of the laboratory process developed by the Company has been commissioned and is working well. High gold extraction appears to be achievable on a scaled up basis and work is continuing on metal recovery and plant design parameters.

Development work continued on the Company's Julia Creek – Richmond Vanadium/Molybdenum project during the half year to 31 December 2011 albeit at a subdued level. The Company is tidying up the chemistry of metal recovery processes involved in the flowsheet thereby reducing overall process costs.

Intermin Resources Ltd is seeking a partner to fund development of this project. It is also working on the oil shale potential of the project in conjunction with Xtract Energy plc which acquired the oil shale rights from Intermin Resources Ltd several years back.

In December 2011, Reward Minerals Ltd (RWD) announced that it has executed a Mining and Indigenous Land Use Agreement with the Martu Traditional Owners which should allow development by RWD of its Lake Disappointment Potash Project. The announcement by RWD resulted in a rerating of the RWD share price to ca 90 cents. Intermin currently holds 6.35 million RWD shares which it may sell down to fund ongoing exploration/development activities.

Directors' Report

Auditor's Independence Declaration

In accordance with section 307C of the Corporations Act 2001, the Directors have obtained a declaration of independence from BDO Audit (WA) Pty Ltd, the consolidated entity's auditors, as presented on page 12 of this half-year's financial report.

This report is signed in accordance with a resolution of directors made pursuant to S306(3) of the Corporations Act 2001, and on behalf of the Board by:

MICHAEL RUANE
DIRECTOR

14 March 2012

Consolidated Statement of Comprehensive Income for the Half-Year ended 31 December 2011

	Consolidated	
	December 2011 $	December 2010 $
Revenue from continuing operations	**200,305**	**182,848**
Net income on disposal of investments	14,450	23,902
Net change in fair value on financial assets at fair value through profit or loss	462,422	1,486,229
Other income	94,133	13,279
Employee benefits expense	(221,057)	(107,683)
Depreciation	(36,017)	(38,980)
Other expenses from continuing operations	(142,979)	(21,379)
Exploration expenditure	(229,897)	-
Rent	(74,941)	-
Impairment of tenements	(56,075)	(73,919)
Equity accounting for investment in Jinka	-	(242,025)
Profit from continuing operations before income tax	10,344	1,222,272
Income tax (expense)/benefit	-	-
Profit for the half-year	10,344	1,222,272
Other comprehensive income	-	-
Other comprehensive income net of tax	**-**	**-**
Total comprehensive income attributable to members of Intermin Resources Ltd	**10,344**	**1,222,272**
Basic earnings per share	0.001 cents	1.33 cents
Diluted earnings per share	0.001 cents	1.33 cents

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position as at 31 December 2011

	Consolidated	
	December 2011 $	June 2011 $
CURRENT ASSETS		
Cash and cash equivalents	600,270	1,974,699
Trade and other receivables	3,705,201	3,960,092
Total current assets	4,305,471	5,934,791
NON-CURRENT ASSETS		
Financial assets at fair value through profit or loss	6,508,582	6,066,944
Other financial assets	120,000	120,000
Plant and equipment	345,964	365,629
Exploration assets	5,296,115	4,030,108
Total non-current assets	12,270,661	10,582,681
Total assets	**16,576,132**	**16,517,472**
CURRENT LIABILITIES		
Borrowings	45,553	-
Trade and other payables	263,031	260,267
Total current liabilities	308,584	260,267
NON CURRENT LIABILITY		
Provisions	100,000	100,000
Total non-current liabilities	100,000	100,000
Total liabilities	408,584	360,267
Net assets	**16,167,548**	**16,157,205**
EQUITY		
Contributed equity	18,667,922	18,667,923
Reserves	198,976	198,976
Accumulated losses	(2,699,350)	(2,709,694)
Total equity	**16,167,548**	**16,157,205**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity for the Half-Year Ended 31 December 2011

	Contributed Equity $	Asset Revaluation Reserve $	Share Based Payment Reserve $	Accumulated Losses $	Total Equity $
Balance at 1 July 2010	15,738,558	144,976	-	(8,554,912)	7,328,622
Comprehensive income for the half-year					
Profit for the half-year	-	-	-	1,222,272	1,222,272
Total comprehensive income for the half-year	-	-	-	1,222,272	1,222,272
Transactions with owners in their capacity as owners	-	-	-	-	-
Balance at 31 December 2010	**15,738,558**	**144,976**	**-**	**(7,332,640)**	**8,550,894**
Balance at 1 July 2011	18,667,922	144,976	54,000	(2,709,694)	16,157,204
Comprehensive income for the half-year					
Profit for the half year	-	-	-	10,344	10,344
Total comprehensive income for the half-year	-	-	-	10,344	10,344
Transactions with owners in their capacity as owners	18,667,922	144,976	54,000	(2,699,350)	16,167,548
Balance at 31 December 2011	**18,667,922**	**144,976**	**54,000**	**(2,699,350)**	**16,167,548**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows for the Half-Year ended 31 December 2011

	Consolidated	
	December 2011 $	December 2010 $
Cash flows from Operating Activities		
Receipts from customers	154,927	137,051
Payments to suppliers and employees	(347,163)	(70,967)
Interest received	152,605	42,223
Net cash outflow from operating activities	(39,631)	108,307
Cash flows from Investing Activities		
Payments for plant and equipment	(16,352)	-
Proceeds from financial assets	35,450	123,143
Proceeds on sale of plant and equipment	-	10,000
Payments made for exploration costs relating to other entities	-	(159,469)
Transfers from/to term deposits	(50,000)	656,211
Payment for mineral exploration tenements	(1,348,411)	(743,690)
Net cash outflow from investing activities	(1,379,313)	(113,805)
Cash flows from Financing Activities		
Net proceeds from borrowings	44,515	-
Net cash inflow from financing activities	44,515	-
Net decrease in cash and cash equivalents	(1,374,429)	(5,498)
Cash and cash equivalents at the beginning of the half-year	1,974,699	257,328
Cash and cash equivalents at the end of the half-year	**600,270**	**251,830**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements for the Half-Year ended 31 December 2011

1 BASIS OF PREPARATION

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 "Interim Financial Reporting". Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting".

This half-year financial report does not include all the notes of the type normally included in the annual financial report. Accordingly, the half year financial report should be read in conjunction with the Annual Financial Report for the year ended as at 30 June 2011. It is also recommended that the half-year financial report be considered together with any public announcements made by Intermin Resources Ltd and its controlled entity during the half-year ended 31 December 2011 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

The accounting policies have been consistently applied with those of the previous financial year and corresponding interim reporting period.

New and Revised Accounting Standards

In the current year, the consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

2 EVENTS SUBSEQUENT TO REPORTING DATE

In January 2012, Intermin Resources Ltd completed the acquisition of the remaining 20% interest in the Menzies Project tenements formerly being explored by Intermin under the Regal Resources Ltd – Black Mountain Gold Ltd (BMG) Joint Venture. BMG is a wholly owned subsidiary of Intermin.

BMG commenced exploration of the Menzies Joint Venture in mid 2009 and by June 2011 had expended over $1.2M on the project thereby earning an 80% interest in the JV tenements.

The consideration is a cash payment of $150,000 and replacement by BMG of Regal Environmental Bonds of $96,500.

There are no other matters or circumstances that have arisen since 31 December 2011 that have or may significantly affect the operations, results, or state of affairs of the consolidated entity in future financial periods.

3 CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

4 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the board that are used to make strategic decisions.

The board considers that the reportable segments are defined by the nature of the exploration activities. As such there are two reportable segments being Vanadium/Molybdenum tenements and Gold tenements.

4 SEGMENT INFORMATION (continued)

	Vanadium/ Molybdenum $	Gold $	Total $
31 December 2010			
Revenue	-	104,245	104,245
Exploration expenditure	-	(73,919)	(73,919)
Profit before Income tax	**-**	**30,326**	**30,326**
31 December 2011			
Revenue	-	-	-
Exploration expenditure	-	82,188	82,188
Loss before Income tax	**-**	**82,188**	**82,188**
31 December 2011			
Total Segment Assets	**509,273**	**4,786,842**	**5,296,115**
30 June 2011			
Total Segment Assets	**376,273**	**3,653,782**	**4,030,108**

Segment Profit/(Loss)
Segment Profit/(Loss) reconciles to Profit/(Loss) before Income Tax as follows:

	December 2011 $	December 2010 $
Segment Profit/(Loss) before Income Tax	(82,188)	104,245
Interest Revenue	130,535	24,879
Unallocated costs net of Other Revenue	(58,691)	1,093,148
Profit/(Loss) before Income Tax	**10,344**	**1,222,272**

5 DIVIDENDS

The Directors do not propose to pay a dividend within this financial year.

6 CONTRIBUTED EQUITY

On 20 June 2011, Intermin executed a Licence Deed and an Agreement for Sale of Calcine Tailings with Apex Minerals NL and Orex Mining Pty Ltd whereby it acquired the Wiluna Calcine Tailings stockpile which is estimated to contain over 370,000 tonnes of material grading ca 5.0g/t of gold (59,600 ounces). The Calcines are the residues from cyanidation of roasted sulfide concentrates produced from Wiluna refractory gold ores prior to WWII.

Consideration for acquisition of the Calcine Tailings from Apex Minerals NL was the sum of $20,000 plus a royalty of $4 per tonne of material moved from its current location. A $900,000 prepayment of royalty was paid to Apex on 20 June 2011. The Company also paid an introduction fee to private company, Orex Mining Pty Ltd for arranging the sale and providing technical and testwork information to Intermin in respect of the project.

6 CONTRIBUTED EQUITY (continued)

The introduction fee involved the issue of two million fully paid Intermin shares and two million options exercisable at 18 cents by 31 May 2012 which was settled on 18 August 2011. The value of the consideration of $324,000 was accrued for at 30 June 2011 and shares and options subsequently issued on 18 August 2011. There has been no change in contributed equity with respect to this transaction during the half-year to 31 December 2011.

7 FINANCE LEASE

In August 2011, the Consolidated Entity acquired a Telehandler under a three year finance lease.

	2011 $	2010 $
Commitments for minimum lease payments in relation to finance leases are payable as follows:		
Within one year	17,633	-
Later than one year but not later than five years	27,920	-
Later than five years	-	-
	45,553	**-**

Directors' Declaration

The Directors of the Company declare that:

1) The financial statements and notes, as set out within this financial report:

(a) comply with the Accounting Standard AASB 134: Interim Financial Reporting, the *Corporations Act 2001*; and other mandatory professional reporting requirements.

(b) give a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date.

2) In the Directors' opinion there are reasonable grounds to believe that Intermin Resources Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

MICHAEL RUANE
DIRECTOR

14 March 2012

Auditor's Independence Declaration

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38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

14 March 2012

The Board of Directors
Intermin Resources limited
159 Stirling Highway
Nedlands WA 6009

Dear Sirs,

DECLARATION OF INDEPENDENCE BY PHILLIP MURDOCH TO THE DIRECTORS OF INTERMIN RESOURCES LIMITED

As lead auditor for the review of Intermin Resources Limited for the half-year ended 31 December 2011, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Intermin Resources Limited and the entity it controlled during the period.

Phillip Murdoch
Director

BDO Audit (WA) Pty Ltd
Perth, Western Australia

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF INTERMIN RESOURCES LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Intermin Resources Limited, which comprises the statement of financial position as at 31 December 2011, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the disclosing entity and the entity it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the disclosing entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Intermin Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Intermin Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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BDO

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Intermin Resources Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and
(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

BDO Audit (WA) Pty Ltd

BDO

Phillip Murdoch
Director

Perth, Western Australia
Dated this 14th day of March 2012