



ASX/Media Release

Dated: 30 March 2016



TEAL GOLD MINE DEVELOPMENT UPDATE

ASX CODE
IRC

CURRENT SHARE PRICE
\$0.076

SHARES ON ISSUE
160.7M

OPTIONS (IRCO)
19.5M (\$0.075)
5.0M (\$0.075)

MARKET CAP
~12.2M (undiluted)

BOARD

Peter Hunt
Chairman

Robin Dean
Non-Executive Director

Jon Price
Managing Director

Michael Ruane
Non-Executive Director

COMPANY SECRETARY

Bianca Taveira

INVESTOR/MEDIA ENQUIRIES

Jon Price
Lorry Hughes

KEY PROJECTS

Teal Gold Project
Menzies Gold Project
Goongarrie Project
Bardoc Project

WEBSITE

www.intermin.com.au

BACKGROUND

- *Teal gold project lies within 12km of Kalgoorlie-Boulder in Western Australia*
- *Current Mineral Resources stand at 0.9Mt at 2.6g/t Au for 75koz¹*
- *Initial oxide pit Scoping Studies completed in 2011 - 2015 at A\$1,300/oz gold price²*
- *Studies delivered economic pit shells containing between 17 – 22,000 ounces²*
- *All statutory approvals in place for mine development*
- *Latest drilling campaign completed in March 2016 to provide samples for confirmatory metallurgical testwork on oxide and transitional material and additional test work on primary semi-refractory mineralisation*
- *Assay results will also provide additional data within the approved Stage 1 pit design*

Next steps to mine development:

- *New results to be incorporated into an updated JORC 2012 Mineral Resource model and final Stage 1 pit optimisation study using updated gold price and cost assumptions*
- *Concluding financing negotiations with potential open pit mining contractors*
- *Reviewing options for ore haulage and processing with existing milling operators in close proximity*
- *Finalise economic model and initial mining inventory for Board development decision*
- *Assessment commenced to deepen the approved pit to extract the primary mineralisation (Stage 2)*
- *Along strike extensions of Teal and evaluation of the Peyes Farm gold project to the south under review*

“The development of the Teal gold project has always been high on the Company’s priority list and 2016 is an opportune time to move Stage 1 into production. With the A\$ gold price remaining strong, approvals in place, mining contractors willing to work in partnership and a number of mills in the region eager for soft oxide ore, we expect the latest project work to provide improved margins and reduced development risk,” Managing Director Jon Price said.

¹ As announced to the ASX on 8 March 2016, see also Table 2 on Page 4

² As announced to the ASX on 27 October 2011, 31 December 2013 and 20 January 2015

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Overview

Intermin Resources Limited (ASX: IRC) (“Intermin” or the “Company”) is pleased to provide an update on the development of its 100% owned Teal gold project, 12km northwest of Kalgoorlie in the heart of the Western Australian Goldfields (Figure 1).

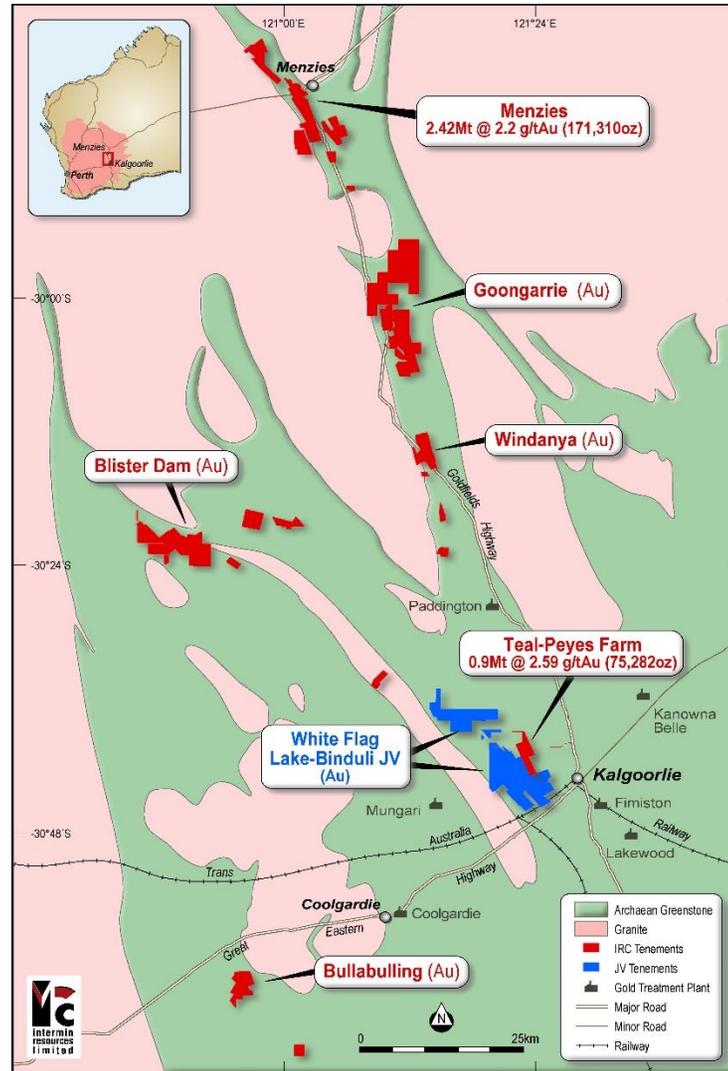


Figure 1: Intermin’s Menzies and Kalgoorlie project locations, geology and infrastructure

The current Mineral Resource (JORC 2004) for Teal totals 900,000t at 2.6g/t Au for 75,000oz¹ and is summarised in Table 1 below:

Table 1: Intermin Resources Ltd - Summary of the Teal Mineral Resource

Deposit (1g/t cut-off)	JORC Code	Oxide Measured Resource			Indicated Resource			Inferred Resource			Total Resource		
		Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Teal	2004	0.33	3.04	32,530	0.57	2.34	42,752				0.90	2.59	75,282

¹ As announced to the ASX on 8 March 2016, see also Table 3 on Page 5 and competent person’s statement

Teal project summary and Scoping Study results

The Teal project has been the subject of considerable exploration since 2000 with over 15,000 metres of drilling completed. The Mineral Resource was defined initially and released to the ASX on 29 July 2010 with further updates in 2011 and 2012 following further drilling. The drilling confirmed a continuous horizontal zone of supergene gold mineralisation defined as 30m average width, 5m in thickness covering a total strike length of 500m and open to the north and south. Deeper drilling beyond the base of oxidation at around 60m depth produced significant results from steeply dipping lodes that also remain open and sparsely drilled.

Metallurgical test work resulted in high recoveries (+95%) for the oxide but lower recoveries (30-92%) for the primary material with the mineralisation exhibiting semi-refractory to refractory properties in proportion to the arsenopyrite component.

A scoping study was released in 2011 and delivered an economic staged open cut pit targeting the supergene mineralisation below 35m of predominantly barren overburden. The optimisation, conducted at A\$1,300/oz gold price, delivered a starter pit containing 22,888 ounces from the mining of 271kt at 2.63g/t over a 9 month mine life. Mining approval work commenced with approval received from the Department of Mines and Petroleum (DMP) in May 2013. Additional approvals relating to haul roads, site access with other third parties were required and took a further 12-18 months to obtain. The final Project Management Plan was approved by the Department of Mines and Petroleum and announced to the ASX on 30 October 2015.

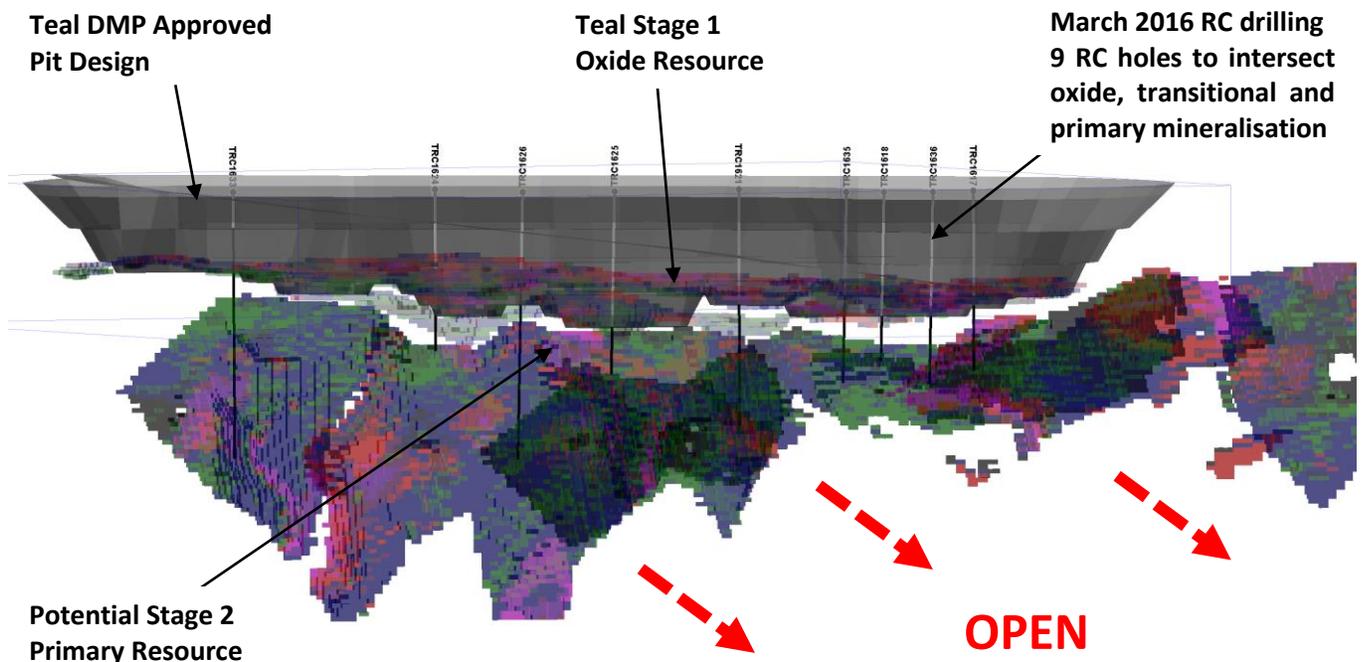


Figure 2: Teal gold project current Resource model, schematic pit design and recent drilling

Next Steps

In March 2016, Intermin completed a 9 hole drilling program to increase the data density, test for additional mineralisation and provide samples for additional metallurgical test work on the oxide, transitional and fresh zones. When received, this new data will be incorporated into the geological data base and an updated Mineral Resource generated.

On completion of the new Mineral Resource, mine optimisation will commence using updated recovery, cost and gold price assumptions to generate new pit shells for comparison with previous work. It is not anticipated that the approved pit outline will change substantially but the pit contents will have a higher confidence level and reduced development risk given the capital pre-strip required to access the ore.

Negotiations with potential open pit contracting partners are continuing and the interest level is high in the current economic climate. Based on recent contracting rates received, the Company believes there will be a significant decrease in mining costs and capital risks associated with the project

Negotiations are also well advanced with potential third party haulage contractors and milling operators in the region. There are 5 processing facilities within a 40km radius of the project with established road networks and soft oxide ore remains highly desirable and will potentially attract a discount in milling costs.

Table 2: Indicative development pathway for the Teal gold project

Activity	Jun Qtr	Sep Qtr	Dec Qtr	Mar Qtr
Drilling, metallurgical results and Resource	■			
Final pit optimisation and design	■			
Mining contract negotiation	■	■		
Milling and haulage contract negotiation	■	■		
Decision to mine and Board approval		■		
Site set up and mobilisation		■		
Pre-strip mining		■	■	
Grade control drilling and models			■	
Ore mining, milling and gold production			■	■
Mine site rehabilitation				■
Stage 2 studies, approvals and potential mining	■			■
Teal underground studies and exploration			■	■

About Intermin

Intermin is a gold exploration and development company focussed on the Kalgoorlie and Menzies areas of Western Australia which are host to some of Australia's richest gold deposits. The Company's flagship projects are the 100% owned Menzies and Teal projects which host significant mineralisation and have the potential to be mined via open cut and underground methods.

Perth and Menzies-based 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 Resource			Indicated Resource			Inferred Resource			Total Resource		
		Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
<u>Menzies</u>	2012												
Pericles					0.53	2.49	42,500				0.53	2.49	42,500
Yunnadaga								1.58	2.03	103,000	1.58	2.03	103,000
Bellenger					0.24	2.63	19,900				0.24	2.63	19,900
Warrior								0.07	2.49	5,910	0.07	2.49	5,910
<u>Kalgoorlie</u>	2004												
Teal		0.33	3.04	32,530	0.57	2.34	42,752				0.90	2.59	75,282
<u>Calcines</u>	2004				0.37	5.01	67,778				0.37	5.01	67,778
TOTAL		0.33	3.04	32,530	1.71	3.14	172,930	1.65	2.05	108,910	3.69	2.65	314,370

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 Mr David O'Farrell and Simon Coxhell. Both 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. It has not been updated since (unless indicated) to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Mr O'Farrell and Mr Coxhell 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 2004 edition of the 'Australasian Code for Reporting of Exploration, Results, Mineral Resource and Ore Reserves'. Mr O'Farrell and Mr Coxhell 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.

Visit us at www.intermin.com.au

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