



ASX/Media Release

Dated: 19 February 2018

55,000m NEW DISCOVERY AND RESOURCE GROWTH DRILLING PROGRAM COMMENCED

HIGHLIGHTS

- 55,000m drill program commenced in the Kalgoorlie region targeting new discoveries and resource growth
- Key aspects of the fully funded \$4m program include:
 - Program split approximately 50% on new discovery and 50% on resource growth
 - Focus on three core project areas: Teal, Anthill and Blister Dam
 - Resource expansion drilling at Teal, Jacques Find, Peyes Farm and Anthill testing extensions along strike and at depth outside current resource envelopes
 - New discovery drilling at Blister Dam, Teal, Fire Ant and Anthill Extended targeting high grade open cut and underground orebodies¹
 - RC and diamond drilling to test beyond the limits of historic drilling
- RC drilling underway at the Jacques Find discovery with first results expected early in the June Quarter 2018¹



Figure 1: Drilling commences at the Teal gold camp, 11km from Kalgoorlie-Boulder

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

“With the significant free cash flow that has been generated from our first mining project at Teal, our focus now turns to exploration success as we kick off the largest drill program in Intermin’s history”.

“New discovery drilling comprises roughly half of the fully funded \$4 million program with priority walk up targets on the prolific Zuleika Shear and Bardoc Tectonic Zone. The Western Australian goldfields is a world class gold producing region with significant discoveries still being made through modern systematic exploration and investment in deeper drilling. We look forward to the first drilling results and adding our own chapter to the rich mining history of the Western Australian Goldfields.”

¹ See Forward Looking Statement on Page 6

ASX CODE
IRC, IRCOA

SHARE PRICE
\$0.19

SHARES ON ISSUE
223M

OPTIONS (IRCOA)
25.5M (\$0.17)

OPTIONS (UNLISTED)
4.85M (\$0.075)
1.75M (\$0.125)

PERFORMANCE
RIGHTS
7.5M

MARKET CAP
~\$42M (undiluted)

BOARD

Peter Bilbe
Chairman

Peter Hunt
Non-Executive Director

Jon Price
Managing Director

MANAGEMENT

Grant Haywood
Chief Operating Officer

Dave O'Farrell
Exploration Manager

COMPANY SECRETARY

Bianca Taveira

INVESTOR/MEDIA ENQUIRIES

Jon Price
Michael Vaughan

KEY GOLD PROJECTS

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

WEBSITE

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).

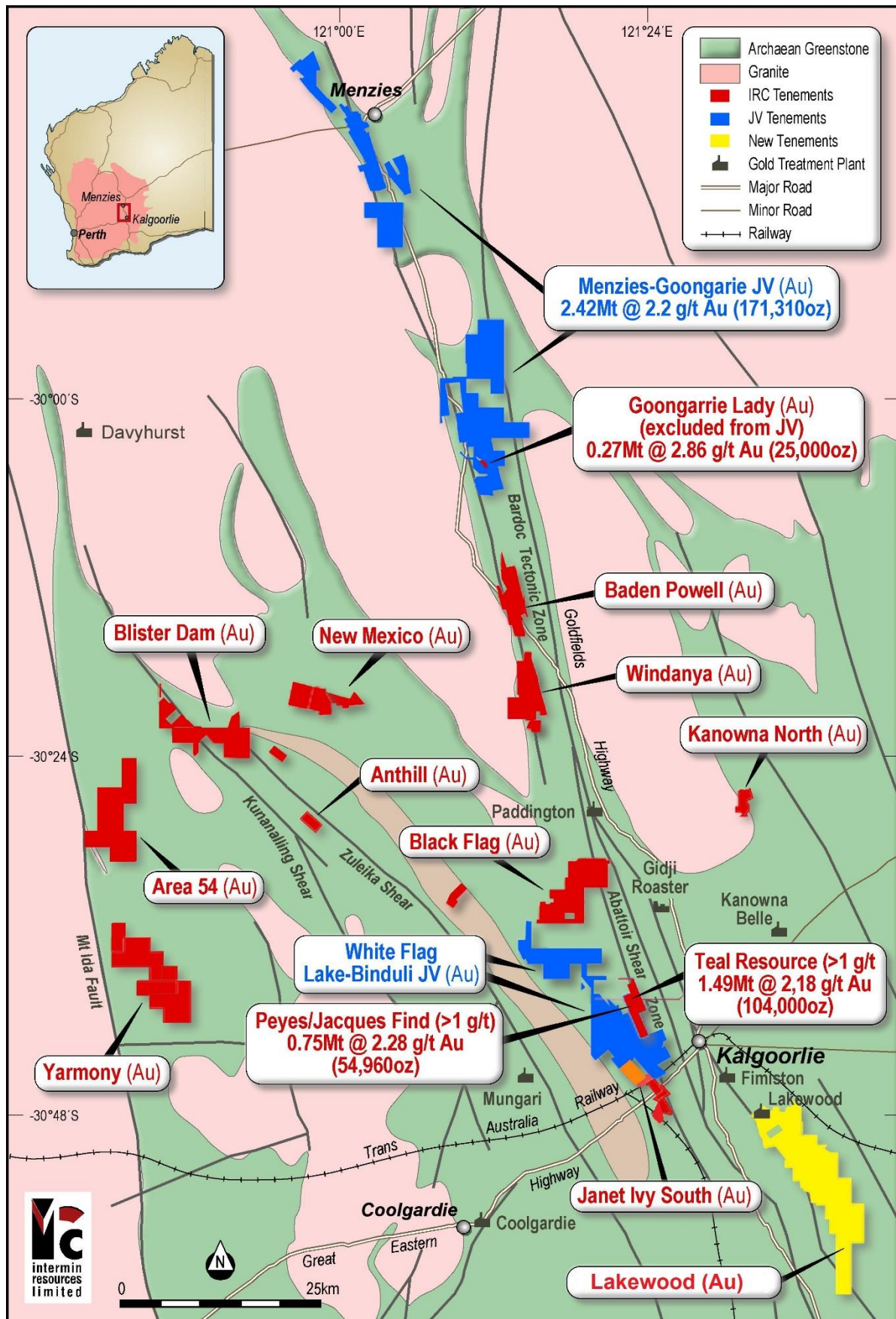


Figure 2: Intermin's gold project locations, regional geology and surrounding infrastructure

During the last three months, the Company has compiled and reviewed a large geological database comprising geochemical, geophysical and historic drilling datasets in order to prioritise targets for drill testing. Extensive field reconnaissance investigations were undertaken during 2017 to confirm these targets and finalise the design of the 2018 drill program.

A summary of the program is shown below:

| Project | Total Metres | Comments |
|--------------------------|---------------|---|
| Teal gold camp | 20,000 | Extensional drilling at Jacques Find, Peyes Farm and Teal. New discovery drilling at Yolande and parallel structures |
| Anthill | 14,000 | Anthill oxide and depth extensions. New targets at Fire Ant and Anthill Extended (north, east and west) |
| Blister Dam / New Mexico | 14,000 | Follow up drilling at emerging prospects. New discovery drilling at 12 high priority targets |
| Regional Projects | 7,000 | Follow up drilling at Olympia, Windanya, West Kalgoorlie, Black Flag, Broads Dam, Area 54, Yarmony and Kanowna North. |
| TOTAL | 55,000 | Fully funded. Largest drill program in Intermin's history |

Anthill

At the Anthill gold project located 45km northwest of Kalgoorlie (Figure 2 & 3), a total of 46 holes were completed for 6,509m in 2017 and all results have been released (ASX announcement 24 October 2017). A maiden JORC 2012 Mineral Resource is now being compiled for release in the current March Quarter 2018.

The geology is dominated by a variolitic basalt with lesser amounts of porphyry and ultramafic being observed. At least two mineralised trends are evident and add some complexity at Anthill. The gold mineralisation is pervasive and occurs in a number of settings, the most important being a quartz stockwork or thin veins with carbonate-sericite-silica-sulphide alteration. Some of the gold is free gold and is easily panned in RC chips.

The key to advancing Anthill to development is to delineate further, high grade resources along strike and at depth. Intermin will focus on extending the Anthill oxide area and undertake a deep drilling program to follow up the encouraging 2017 results. As with similar projects in the region, Anthill has the potential to develop into a large tonnage, medium grade open cut followed by decline development to access the higher grades in the fresh rock below the base of oxidation.

New target generation studies and initial field work has now been completed in the Anthill project area and new discovery drilling will test for repeats of the Anthill orebody. Drill testing will commence on the Fire Ant prospect and targets to the east, west and north of the Anthill project (Figure 3).

RC and diamond drilling at Anthill is planned to commence in the June Quarter.

¹ See Forward Looking Statement on Page 6

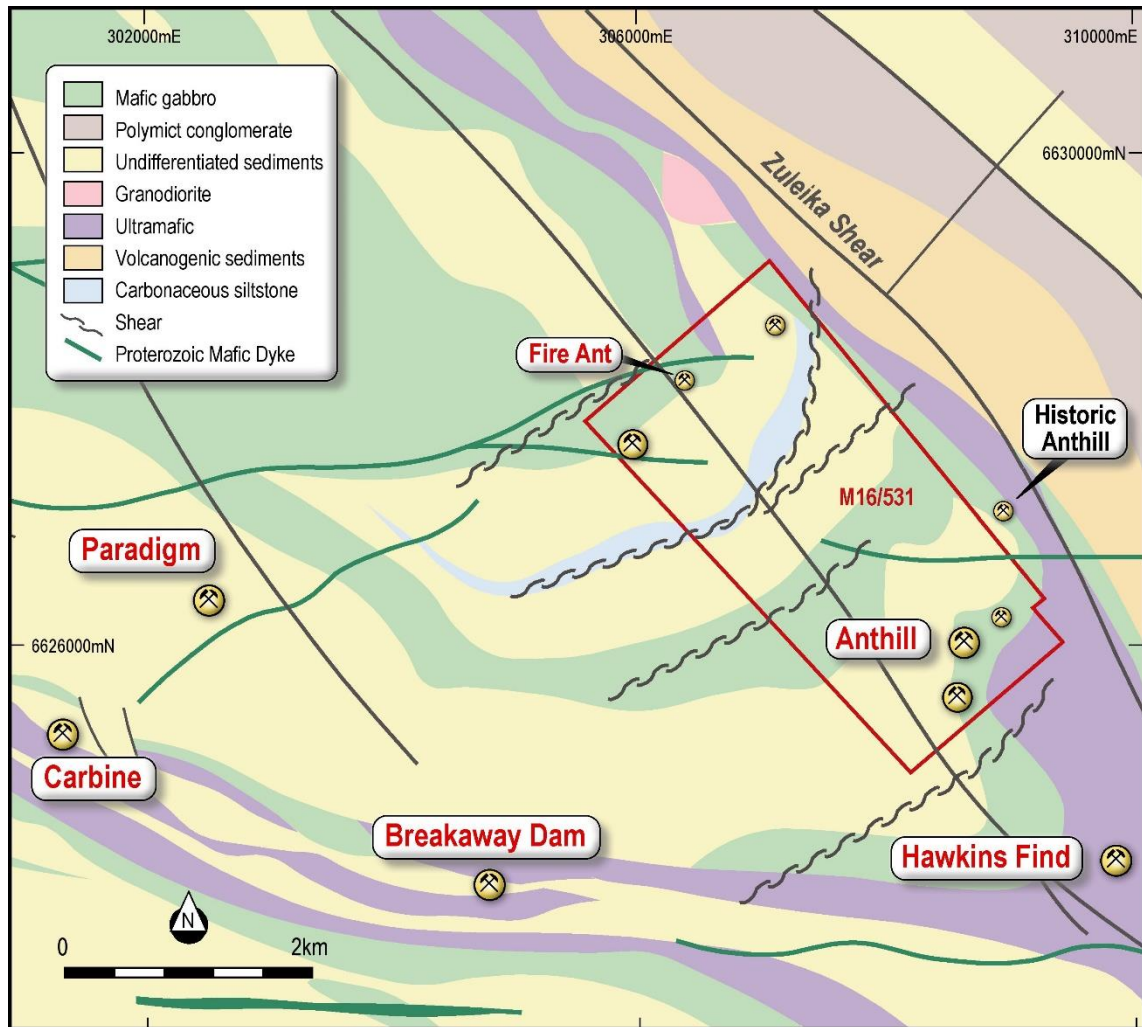


Figure 3: Anthill prospect geology plan

Blister Dam

Since September 2017, Intermin has been actively exploring the Blister Dam project located 54km northwest of Kalgoorlie (Figure 2 & 4). This region, northwest of the Kundana Goldfield, has a similar geological setting to the large open cut and underground deposits including Frog's Leg, Raleigh, Millennium and Bullant.

An Induced Polarisation ("IP") survey, geological mapping, rock chip sampling and 46 reverse circulation ("RC") holes for 4,180m were completed in 2017 to test multiple priority targets. A total of nine out of the 21 individual targets at Blister Dam were drilled to the end of 2017. The remaining targets will be drilled in 2018 as part of the 14,000m program.

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 4) 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.

In addition the Company has been awarded \$60,000 in WA Government Exploration Incentive Scheme co-funding ("EIS") to RC drill test recently defined induced polarisation (IP) targets at Blister Dam (Figure 3). The 2D dipole-dipole IP survey was completed in October 2017 and comprised about 98 line kilometres. The IP results highlighted a number of small to moderate level conductor anomalies (10 – 20mV/V) and several potential (untested) fault zones.

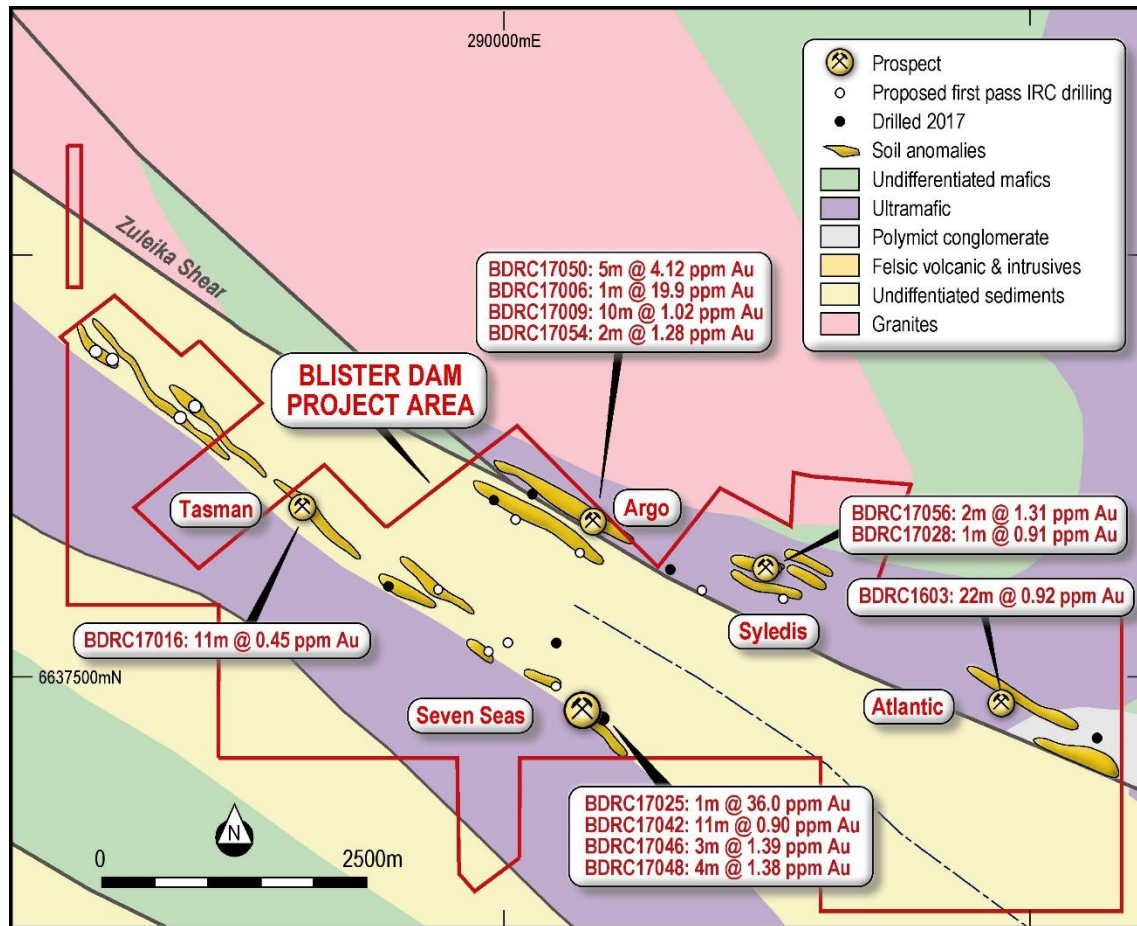


Figure 4: Initial drilling at Blister Dam for follow up in 2018

Teal / Jacques Find / Peyes Farm

At the Teal gold project located 11km northwest of Kalgoorlie (Figure 2 & 5), a total of 32 holes were completed for 3,024m at the Teal south, Jacques Find, Peyes Farm and Yolande prospects in 2017. Excellent high grade results were returned in the majority of holes drilled in both oxide and primary mineralisation as announced to the ASX on 18 September 2017 and 15 and 29 November 2017 (Figure 5).

The geology is dominated by Black Flag sediments (felsic volcanics and sediments) with lesser amounts of porphyry and intermediate volcanics. Fresh rock gold is typically associated with quartz and sulphides. Faulting has displaced and pinched out some of the mineralisation. Currently Jacques Find is about 400m long and is open to the north and south and at depth. These extensions are priority drilling targets.

Several new, untested, exploration targets have recently been generated within a 1km of radius of Teal, Jacques Find and Peyes Farm. The new discovery targets will be drilled in the current March Quarter. On completion, Jacques Find will then be drilled to 200m depth across its entire 400m strike length (stage 1 ~6,000m) to extend resources in this area. If the deep drill hole RC results are positive and of a tenor suitable for underground mining, Intermin then plans to systematically diamond drill Jacques Find to 500m depth in the September quarter (stage 2 ~8,000m).

Given the success of the Teal open cut, where the supergene and transitional ore have been mined and processed through conventional processing plants, the Company is targeting additional supergene oxide and transitional material at Jacques Find, Teal extended and Peyes Farm to add to the production pipeline.

Primary mineralisation at depth exhibits semi-refractory properties and optimal recoveries are achieved through ultra-fine grinding, pressure oxidation or roasting. Deeper drilling is targeting high grade extensions to known mineralisation to grow the resource to sufficient scale to enable commercial discussions to commence on potential third party processing at existing nearby processing plants or sale of concentrate to potential offtake partners.¹

¹ See Forward Looking Statement on Page 6

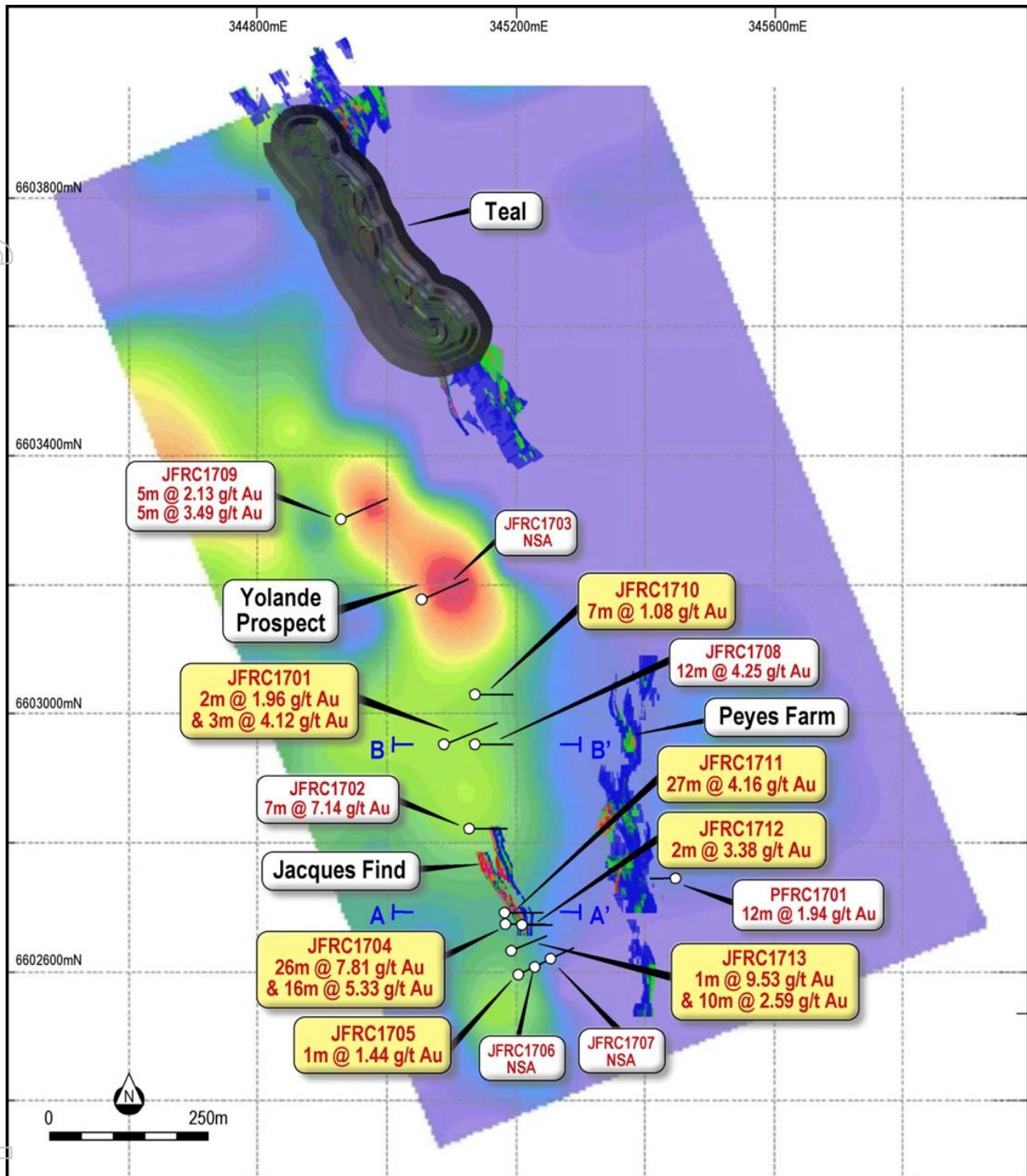


Figure 5: Drill holes from 2017 program at Jacques Find, Yolande and Peyes Farm (the background image is a horizontal slice at 100m depth showing the conductivity results of an historic IP survey).

Regional Projects

Intermin has several other project areas that will be drilled during the latter half of the year. A total of 7,000m has been allocated. These include:

- West Kalgoorlie including 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, Broads Dam, Windanya and New Mexico

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 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 |
| <u>Menzies</u> | | | | | | | | | | | | | |
| 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 |
| <u>Kalgoorlie</u> | | | | | | | | | | | | | |
| 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 |
| TOTAL | | 0.33 | 2.56 | 27,423 | 1.73 | 2.36 | 130,781 | 2.89 | 2.13 | 197,537 | 4.95 | 2.24 | 355,741 |

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.

Visit us at www.intermin.com.au

For further information, please contact:

Jon Price
Managing Director
Tel: +61 8 9386 9534
jon.price@intermin.com.au

Michael Vaughan
Media Relations – Fivemark Partners
Tel: +61 (0) 422 602 720
michael.vaughan@fivemark.com.au

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.