



# ASX/Media Release

Dated: 23 January 2018

## TEAL GOLD MINE OPERATIONS UPDATE

### HIGHLIGHTS

- Ore mining to date from Teal Stages 1 and 2 of approximately 185,000t of oxide and transitional ore grading 3.25g/t Au for 19,330 ounces mined
- Third party processing totals 155,000 dry tonnes grading 3.26g/t Au and metallurgical recovery of 94.6% for gold production of 15,500 fine ounces to date
- Mining of the remaining ore in the pit (approximately 30,000t grading 3.2g/t Au) is expected to be completed in February
- First ore processing campaign at the 1Mtpa Lakewood toll milling facility completed
- Reconciled production from the first milling campaign totalled 4,550 fine ounces of gold from the treatment of 40,500 dry tonnes of ore grading 3.64g/t Au
- Plant performance was excellent with calculated recoveries exceeding plan at 96%
- Strong Australian dollar gold price averaging \$1,672 per ounce generated \$7.6 million in gross revenue from the Lakewood campaign
- The second milling campaign commenced on 19 January and will treat approximately 30,000t of ore grading 3.2g/t Au over a 15 day period<sup>1,2</sup>
- The third and final campaign is scheduled to commence 21 February enabling full reconciliations and final cash flows from Teal early in the June Quarter
- Intermin maintains guidance for both Teal Stages 1 and 2 totalling 18 – 20,000 ounces at All In Costs (AIC) of A\$1,000 – \$1,100 per ounce<sup>1,2</sup>



**Figure 1: First gold pour at the Lakewood processing facility (courtesy of Kalgoorlie Miner)**

Commenting on Teal's strong operating performance, Intermin Managing Director Mr Jon Price said:

"It is extremely pleasing to see the first toll milling campaign at Lakewood completed successfully and the mine safely and efficiently moving to completion in the March Quarter. Teal has been a great success to date and has placed the Company in a strong financial position to aggressively pursue our new discovery and resource growth strategy utilising our increasing cash reserves."

<sup>1</sup> As announced to the ASX on 6 July 2016, 25 July and 6 September 2017 <sup>2</sup> See forward looking and cautionary statement on Page 4 and 5

ASX CODE  
IRC, IRCOA

SHARE PRICE  
\$0.195

SHARES ON ISSUE  
223M

OPTIONS (IRCOA)  
25.5M (\$0.17)

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

PERFORMANCE  
RIGHTS  
9.1M

MARKET CAP  
~\$43.5M (undiluted)

#### BOARD

Peter Bilbe  
Chairman

Peter Hunt  
Non-Executive Director

Jon Price  
Managing Director

Lorry Hughes  
Executive Director

#### COMPANY SECRETARY

Bianca Taveira

#### INVESTOR/MEDIA ENQUIRIES

Jon Price  
Lorry Hughes  
Michael Vaughan

#### KEY GOLD PROJECTS

Teal  
Goongarrie Lady  
Anthill  
Peyes Farm  
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") provides the following operational update from Intermin's 100% owned Teal Gold Mine, located 11km north west of Kalgoorlie-Boulder in Western Australia (Figure 2).

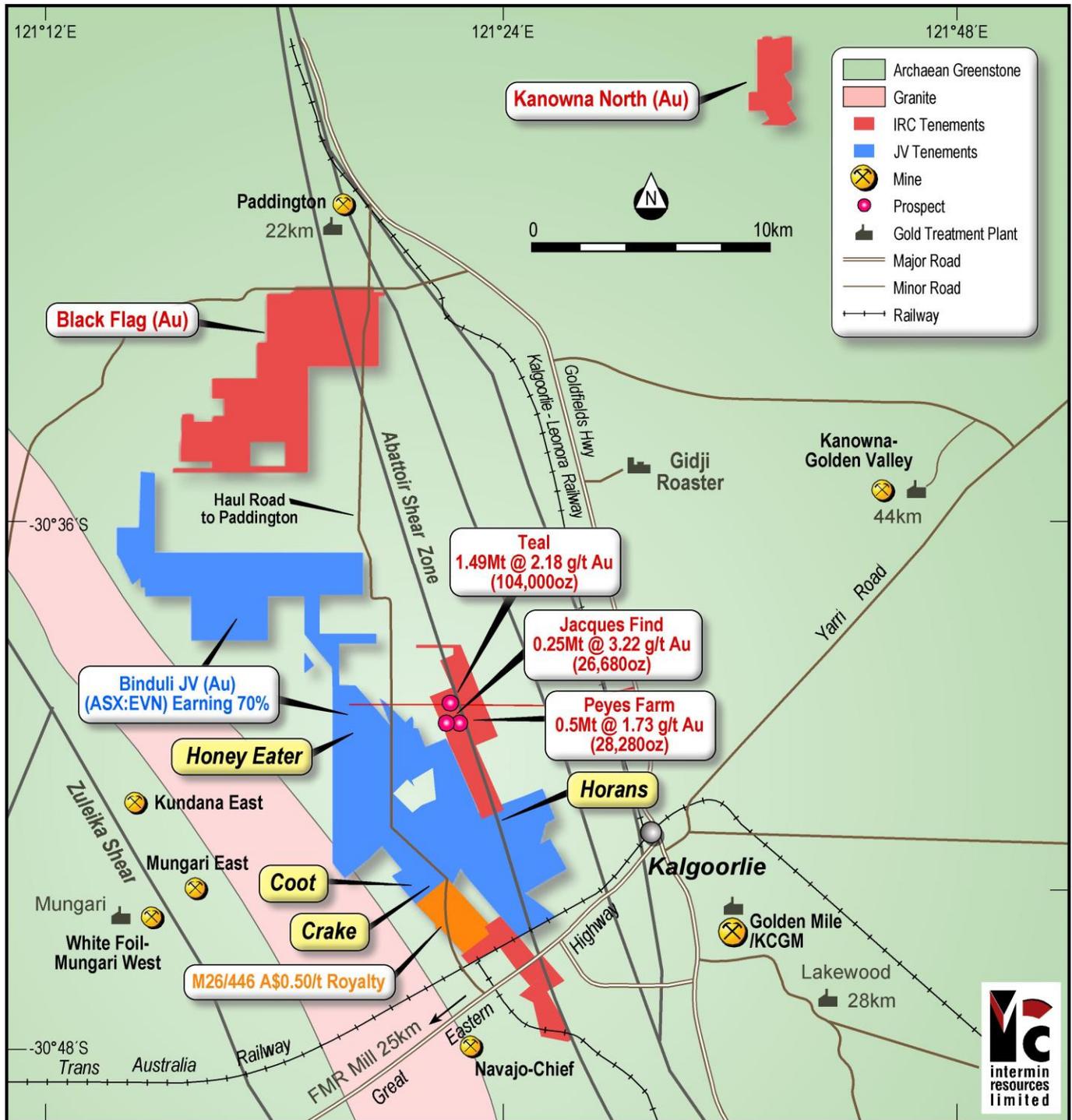


Figure 2: Teal gold mine location plan and associated infrastructure

With the pre-strip complete at Teal Stage 2 in the December Quarter 2017, the focus to date has been on ore mining from both Stage 1 and Stage 2 of the pit. Strip ratios have decreased considerably to 2:1 with the supergene oxide ore exposed across the entire pit floor in the southern section. In total, 185,000t of ore has been mined grading 3.25g/t for 19,330 ounces with a further 30,000t of oxide and transitional ore estimated to be mined at similar grades through to mine completion in February 2018<sup>1,2</sup>.

Pit wall conditions remain under constant review with a radar monitoring system installed to ensure the safe and efficient completion of the pit.

<sup>1</sup> As announced to the ASX on 6 July 2016, 25 July and 6 September 2017 <sup>2</sup> See forward looking and cautionary statement on Pages 4 and 5

The first ore processing campaign at the 1Mtpa Lakewood toll milling facility (Figure 2) was completed successfully and ran longer than estimated (24 days) ending on 5 January 2018. Full reconciliations have been compiled with 40,528 dry tonnes of ore milled at a final calculated head grade of 3.64g/t. Plant metallurgical recovery exceeded expectations at 96% producing 4,550 fine ounces of gold.

Average gold price received for the campaign was A\$1,672 per ounce generating \$7.6m in gross revenue.



**Figure 3: Intermin COO Grant Haywood with gold produced from Teal (courtesy of Kalgoorlie Miner)**

The second toll milling campaign commenced on 19 January and is estimated to process 30,000t of oxide ore from existing ROM stockpiles with an estimated average mine predicted grade of 3.2g/t Au<sup>1,2</sup>.

The third and final campaign is scheduled for late February and will process the remaining oxide and transitional material mined as the pit is completed. It is anticipated that full reconciliations for both campaigns will be completed prior to March Quarter end enabling the release of final production and financial results early in the June Quarter.

Intermin maintains guidance at the combined Teal open pit of 18,000 to 20,000 ounces recovered at an All In Cost (AIC) of A\$1,000 to \$1,100 per ounce.

The successful Teal open cut has put the Company in a strong financial position to commence the aggressive discovery and Resource growth drilling program in February 2018, to continue Feasibility work as part of the mine development pipeline and pursue further acquisitions at both asset and corporate level.

<sup>1</sup> As announced to the ASX on 6 July 2016, 25 July and 6 September 2017 <sup>2</sup> See forward looking and cautionary statement on Pages 4 and 5

## 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
<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.

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

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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.