

## HIGH-GRADE GOLD RESULTS FROM SANTA

### *8 METRES AT 11.70 G/T GOLD INCLUDING 2.9 METRES AT 26.09 G/T GOLD*

- ❖ **Deepest drill hole to date extends gold mineralisation to 400 metres below surface**
- ❖ **High-grade gold mineralisation remains open at depth**
- ❖ **Very little drilling below 50 metres depth along +2 kilometres of known shallow gold mineralisation**
- ❖ **Supports plan to progressively increase gold production to +140,000oz pa**

Integra Mining Limited (Integra, ASX: **IGR**) is pleased to report new **high-grade gold results** from the deepest drilling to date below the historic **Santa** open pit, part of its 100%-owned Randalls Gold Project development (Figure 1), located 60km south-east of Kalgoorlie.

Drill assay results include, within an overall interval of **73.4 metres at 2.84 g/t gold**:

- **8.0 metres at 11.70 g/t gold including 2.9 metres at 26.09 g/t gold (basal contact target)**
- **4.3 metres at 5.11 g/t gold**
- **11.5 metres at 4.13 g/t gold**
- **6.1 metres at 4.51 g/t gold**
- **2.5 metres at 5.95 g/t gold**

The results provide Integra with increased confidence in the gold mineralised depth potential at Santa, which is one of three key banded-iron formation (BIF) hosted deposits being tested for future underground mining potential. The others are Maxwells and Cock-eyed Bob.

The latest results continue an encouraging trend of success, strengthening the Phase 2 production plan at Randalls.

Initial Phase 1 production will be sourced from the Salt Creek and Maxwells open pits. Randalls Gold Project construction commenced on 4 January 2010 and is on-track for first gold production in September 2010. Phase 2 targets a production increase from the initial rate of 75,000 ounces per year to 100,000 ounces per annum and then +140,000 ounces per annum with a process plant upgrade (see ASX announcement 30 October 2009).

### **The Santa Area**

The new results from Santa demonstrate that BIF hosted gold mineralisation **extends to at least 400 metres depth and remains open** (Figure 2, 3 and 4).

The Santa area hosts +2 kilometre strike extent of known shallow gold mineralisation, at the Santa North, Anomaly C, Fly Camp, Browns, Browns North and Flora Dora gold deposits – all of which require further evaluation.

Of note is that the majority of existing drilling is shallower than 50 metres vertical depth below surface while at the Santa deposit high-grade gold mineralisation has now been demonstrated to a depth of +400 metres and remains open providing an outstanding opportunity to

materially increase the Mineral Resources from the Santa area (Figure 5 & 6). These opportunities will be systematically and progressively tested in the months ahead.

**Implications for the Maxwells Gold Deposit**

Integra recently completed an Underground Mining Study for the Maxwells gold deposit demonstrating the potential for very attractive returns from underground mining. The Maxwells gold deposit is 1.2 kilometres long, has an existing Mineral Resources endowment of some 2,700 ounces per vertical metre at an average grade of 6.3 g/t gold applying a typical underground lower cut-off grade of 3.5 g/t gold. The underground mining study indicated that some 2,000 ounces per vertical metre could potentially be extracted by underground mining at a diluted production grade of 5.5 g/t gold (see ASX announcement 1 February 2010).

**Integra currently has three diamond drills operating at the Maxwells gold deposit testing BIF hosted high-grade gold mineralisation beneath the existing Mineral Resource.** The deepest drilling to date at Maxwells is to some 150 metres depth and, by analogy with the nearby Santa gold deposit, high-grade gold mineralisation is expected to extend to several hundred metres depth providing an outstanding opportunity for Mineral Resources upgrade and the strong potential for this to result in meaningful underground production.

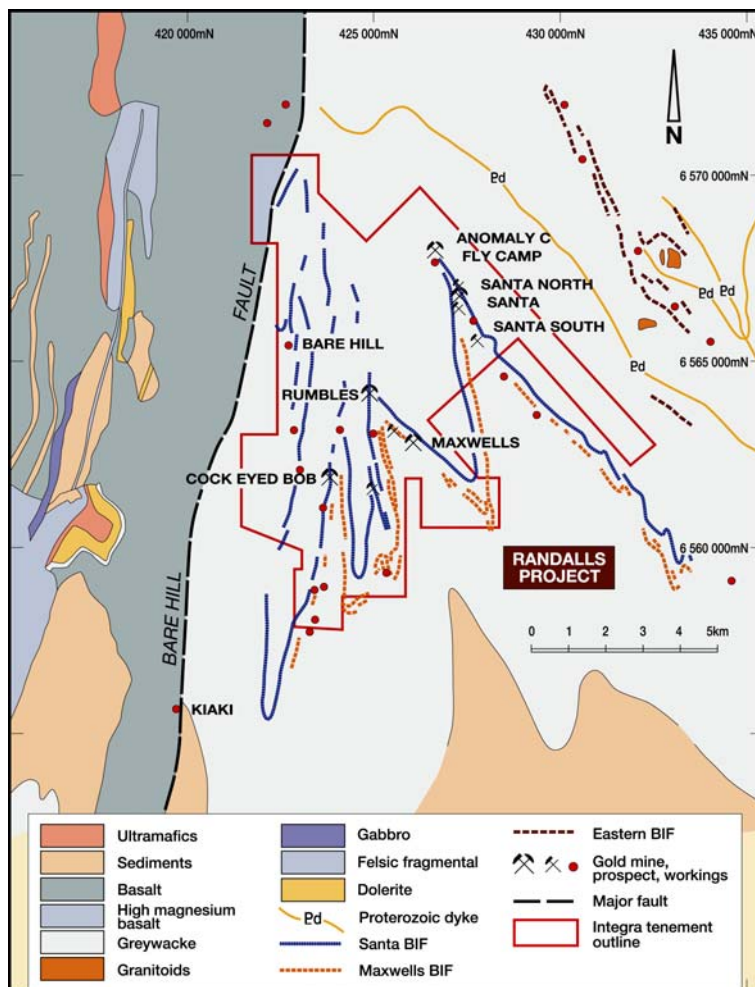


Figure 1: Randalls Project BIF hosted gold deposit location plan.



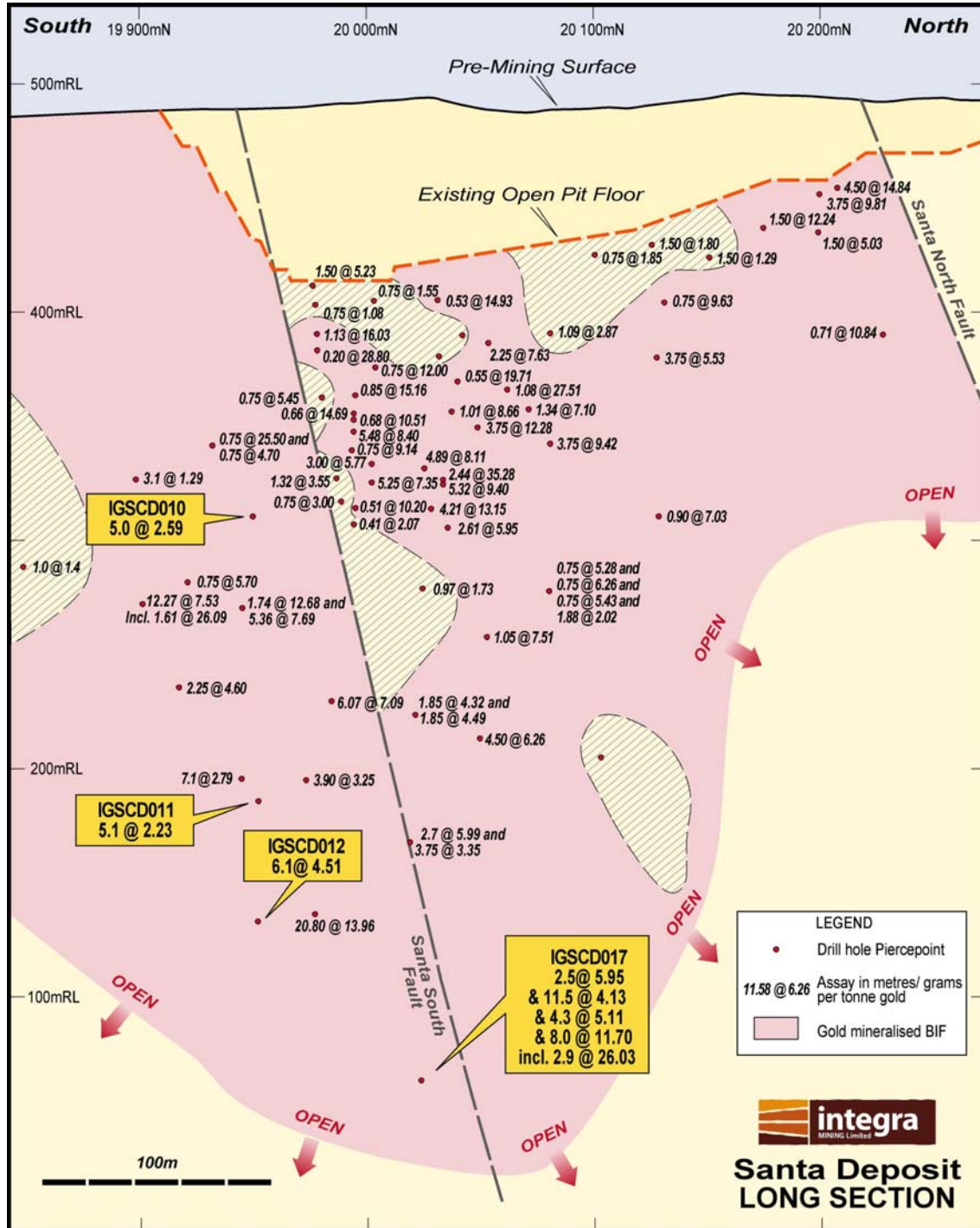


Figure 2: Santa gold deposit long section and drill intercepts.



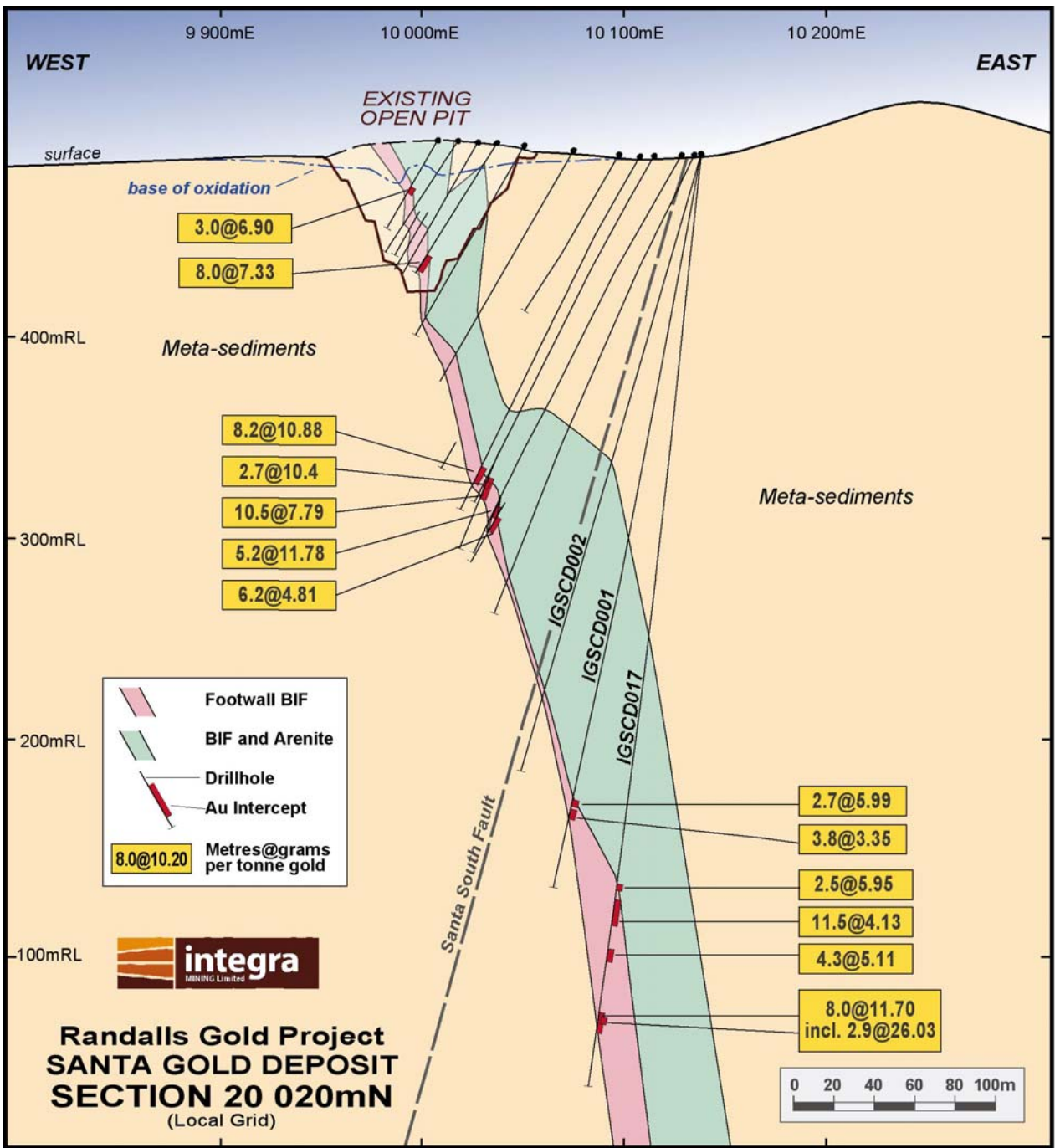


Figure 3: Santa cross-section 20020mN.

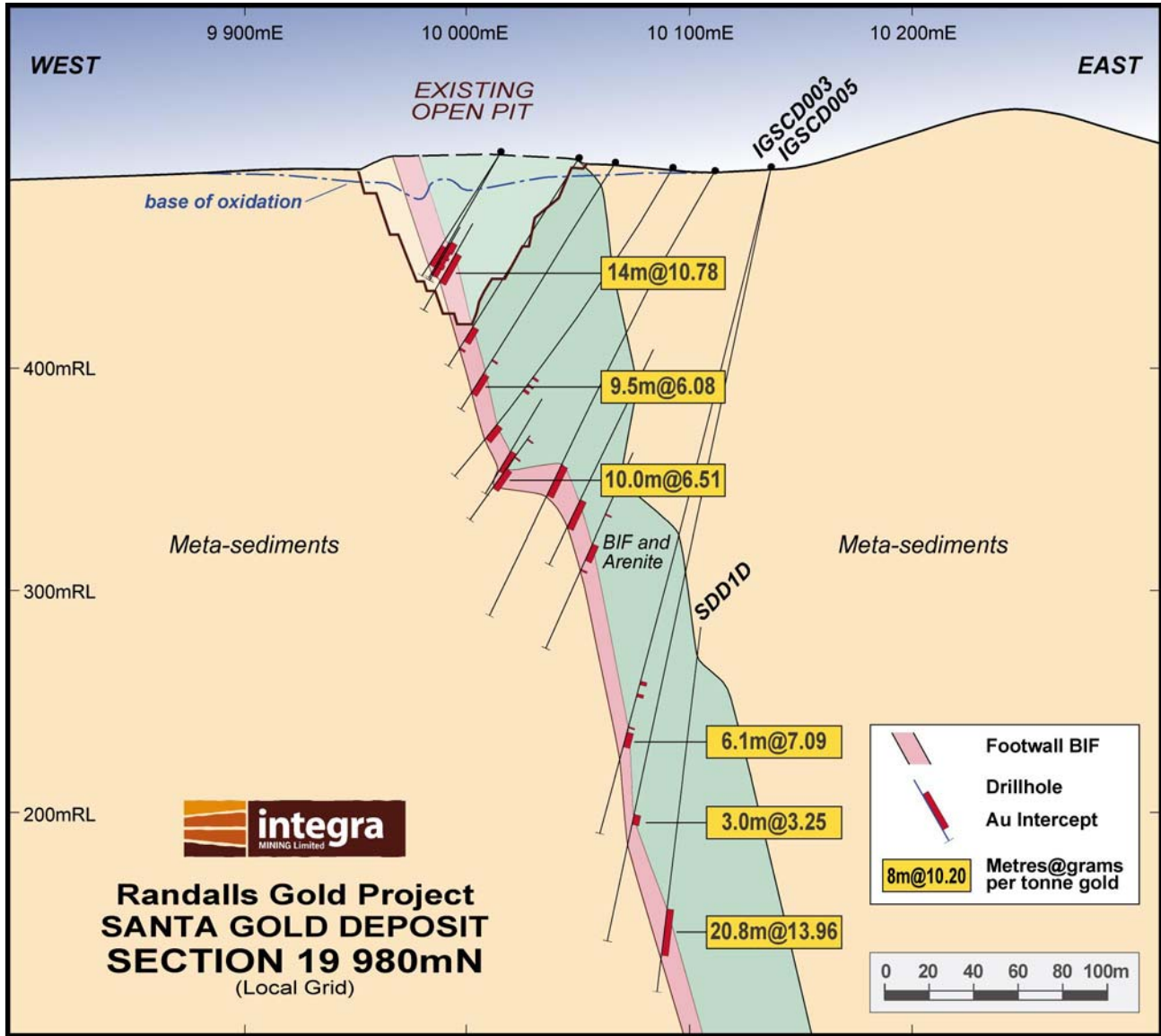


Figure 4: Santa cross-section 19980mN.



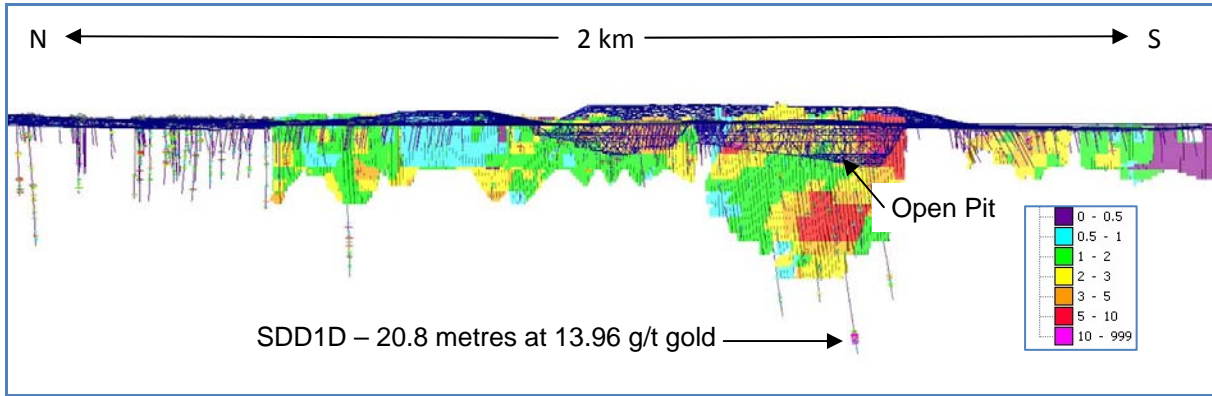


Figure 5: Santa region long section showing resource grades.

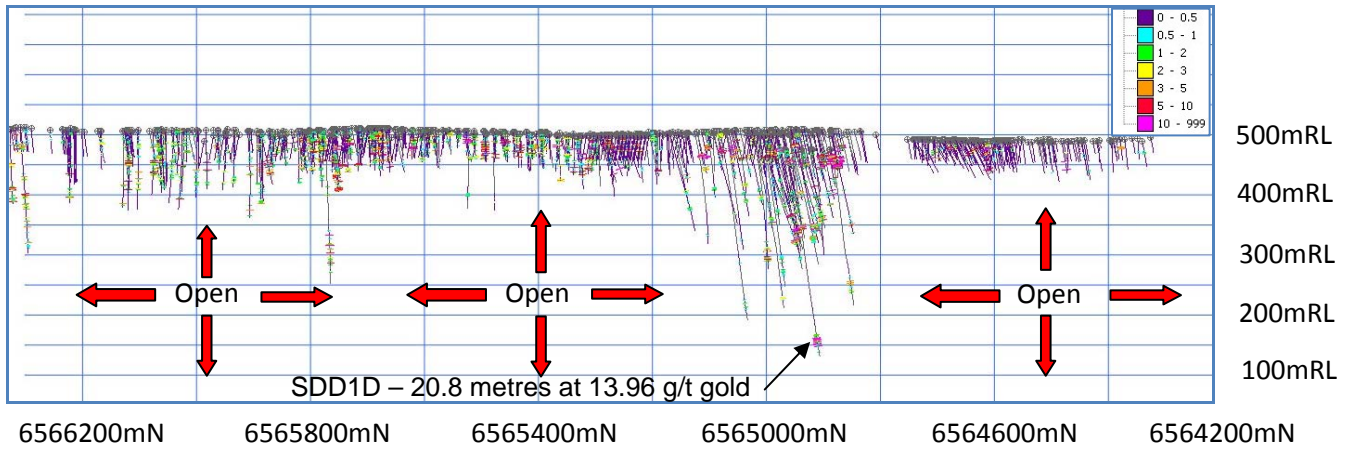


Figure 6: Santa region long section showing drill hole traces coloured to gold grade.

**Santa drill hole intercepts > 10 g\*m gold**

Hole ID	Co-ordinates - MGA94		Azimuth - MGA94	Dip	From (m)	To (m)	Down Hole Interval	Grade (g/t)	Comments
	Northing	Easting							
IGSCD010	425,048	6,565,031	239	-64	190.0	195.0	5.0	2.59	
IGSCD011	425,049	6,565,032	248	-78	301.6	306.7	5.1	2.23	
IGSCD012	425,050	6,565,032	255	-84	351.1	357.2	6.1	4.51	
IGSCD017	425,003	6,565,084	244	-82	355.0	357.5	2.5	5.95	
including					363.0	374.5	11.5	4.13	
					387.2	391.5	4.3	5.11	
					419.0	427.0	8.0	11.70	
					419.0	421.9	2.9	26.03	

\* Coordinates provided in MGA94. Sampling of drillcore was conducted to geological boundaries (≤ 1.0 metre)

All samples assayed using a total digest of a 50 g charge by fire assay method

## ABOUT INTEGRA MINING

The Randalls Gold Project development is only the second integrated mining and processing new gold mine development based on a new gold discovery in Australia in the past 10 years. On Phase 1 base case production of 75,000 ounces per year, and at current gold prices, the Randalls Gold Project will generate approximately \$50 million of operating profit per year and will rival or exceed the profitability of any other domestic Australian gold miner with the exception of Newcrest Mining Limited.

The Randalls Gold Project is located some 60 kilometres southeast of Kalgoorlie and is expected to produce an average of 75,000 ounces per year for four years on Phase 1 mining of two open pits at an average grade of 3.1 g/t gold. Integra has approximately \$72 million cash and is completing documentation of a \$45 million senior debt facility with Westpac Banking Corporation and BNP Paribas. The capital cost for project development has been estimated to be \$64 million (see ASX announcement 30 July 2009).

Integra has allowed excess funding of the Randalls Gold Project to accelerate evaluation of early commencement of underground mining at the Maxwells, Santa and Cock-Eyed Bob banded-iron formation (BIF) hosted gold deposits with a target of increasing project gold production to approximately 100,000 ounces per annum without a processing facility expansion and then to +140,000 ounces per annum with a processing facility upgrade to 1.2 million tonnes per annum (see ASX announcement 30 October 2009). The potential underground developments and processing facility upgrade will be fully funded through existing cash reserves and project cashflow.

The Company acquired the New Celebration gold process facility 3 years ago and the facility was disassembled and stored on-site at Mt Monger. Integra has executed a Guaranteed Maximum Price (GMP) refurbishment, construction and commissioning agreement for the gold processing facility with GR Engineering Services. Refurbishment of key process facility components (ball mill and crushers) is advanced and the Salt Creek process facility site was handed over to GR Engineering on January 4, 2010 for commencement of construction. Project commissioning and first gold production is on target for September 2010.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Chris Cairns', written in a cursive style.

**Chris Cairns**  
Managing Director

*Information in this announcement that relates to Exploration Results and Mineral Resources is based on information compiled by Chris Cairns, Managing Director, who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Chris Cairns is a member of The Australasian Institute of Geoscientists and consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.*



