



TUJUH BUKIT INDONESIA

PORPHYRY COPPER-GOLD RESOURCE INCREASES TO 990 MILLION TONNES AT 0.40% COPPER, 0.45G/T GOLD

- CONTAINS 8.8 BILLION POUNDS OF COPPER AND 14 MILLION OUNCES OF GOLD (AT 0.2% COPPER OR 0.2 G/T GOLD CUT-OFF)
- ADDITIONAL GEOLOGICAL POTENTIAL OF 800 - 850 MILLION TONNES (AT 0.3 - 0.4% COPPER AND 0.4 - 0.5 G/T GOLD)
- INFERRED RESOURCE STILL OPEN AT DEPTH AND Laterally
- BEST INTERSECTION TO DATE - 630 METRES AT 0.50% COPPER, 0.73 G/T GOLD AND 142 PPM MOLYBDENUM
- PORPHYRY RESOURCE AREA NOW EXTENDS OVER AN AREA OF 2,400 X 1,400 METRES
- ACCELERATING DRILL PROGRAM TO FURTHER TEST TUMPANGPITU AND NEW PORPHYRY TARGETS

9 MAY 2011: Intrepid Mines Limited (ASX ,TSX: IAU) ("the Company") reports that assay results from drilling completed since September 2010 around the known porphyry copper-gold zone of the Tumpangpitu area of the Tujuh Bukit Project in Indonesia have been utilized to provide an expanded Inferred Resource estimated at 990 million tonnes at 0.40% copper and 0.45 g/t gold, at a cut-off grade of 0.2% copper or 0.2 g/t gold (previously released resource estimate of 500Mt at 0.4% Cu and 0.5g/t Au at a 0.2% Cu cut-off - see 29 September 2010 release).

The resource estimate is from the area shown in the attached diagram as the "Tumpangpitu Updated Porphyry Resource Outline" and covers an ovoid area, based on the resource block model, of approximately 2,400 x 1,400 metres. The vertical extent of mineralisation defined to date is in excess of 1 kilometre.

This expanded resource has been estimated by Independent Consultants Hellman and Schofield Pty. Ltd. and reported in accordance with the JORC Code and NI 43-101.

The estimate is based on 26 deep drill holes (see diagram below).



Intrepid notes that, while this latest Inferred resource estimate is a significant increase to that of the September 2010 estimate, the Company remains confident that the porphyry copper-gold resource at Tumpangpitu will continue to grow, as additional drilling is completed over the coming months. This drilling will comprise additional exploration in areas of geological potential as shown on the diagram below.

This current resource estimate does not include the oxide gold-silver zone of 130Mt at 0.55 g/t gold and 18 g/t silver for 2.4 million ounces of contained gold and 80 million ounces of contained silver (see 14 December 2010 release), and which is also continuing to expand with ongoing drilling.

CEO Brad Gordon said, "At almost one billion tonnes, this updated porphyry resource estimate brings Tujuh Bukit into the ranks of the world's major undeveloped copper-gold projects. We have yet to determine the limits of this resource. At the same time we are starting to drill test some of our other regional porphyry targets. Adding these results to our positive Preliminary Economic Assessment of the silver-gold oxide and US\$180 million cash treasury position, we are certain that this project is destined to become an important global copper-gold-silver project."

Summary of Inferred Resource Estimates, by Copper or Gold cut-offs

| Cu or Au Cut Offs | | Grade | | | | Contained Metal | |
|-------------------------------------|------------------------|-----------------|-------------------|-------------------|-------------------|-------------------------------------|--------------------------------------|
| Cut-Off Cu(%) or Au(g/t) | Tonnes (Mt) | Cu % | Au g/t | Mo ppm | As ppm | Copper lbs (billion) | Gold Ounces (million) |
| 0.2 | 990 | 0.40 | 0.45 | 98 | 305 | 8.8 | 14 |
| 0.3 | 750 | 0.46 | 0.53 | 117 | 301 | 7.7 | 13 |
| 0.4 | 570 | 0.52 | 0.60 | 132 | 305 | 6.5 | 11 |
| 0.5 | 410 | 0.56 | 0.69 | 142 | 330 | 5.1 | 9 |
| 0.6 | 280 | 0.61 | 0.78 | 156 | 353 | 3.8 | 7 |

Summary of Inferred Resource Estimates, by Copper (Cu) Cut-offs

| Cu Cut Offs | | Grade | | | | Contained Metal | |
|---------------------------|------------------------|-----------------|-------------------|-------------------|-------------------|-------------------------------------|--------------------------------------|
| Cut-Off Cu (%) | Tonnes (Mt) | Cu % | Au g/t | Mo ppm | As ppm | Copper lbs (billion) | Gold Ounces (million) |
| 0.2 | 880 | 0.44 | 0.47 | 108 | 311 | 8.4 | 13 |
| 0.3 | 640 | 0.51 | 0.54 | 129 | 319 | 7.1 | 11 |
| 0.4 | 440 | 0.58 | 0.62 | 150 | 346 | 5.6 | 9 |
| 0.5 | 270 | 0.66 | 0.70 | 176 | 394 | 3.9 | 6 |
| 0.6 | 150 | 0.74 | 0.79 | 220 | 447 | 2.4 | 4 |

Summary of Inferred Resource Estimates, by Gold (Au) Cut-offs

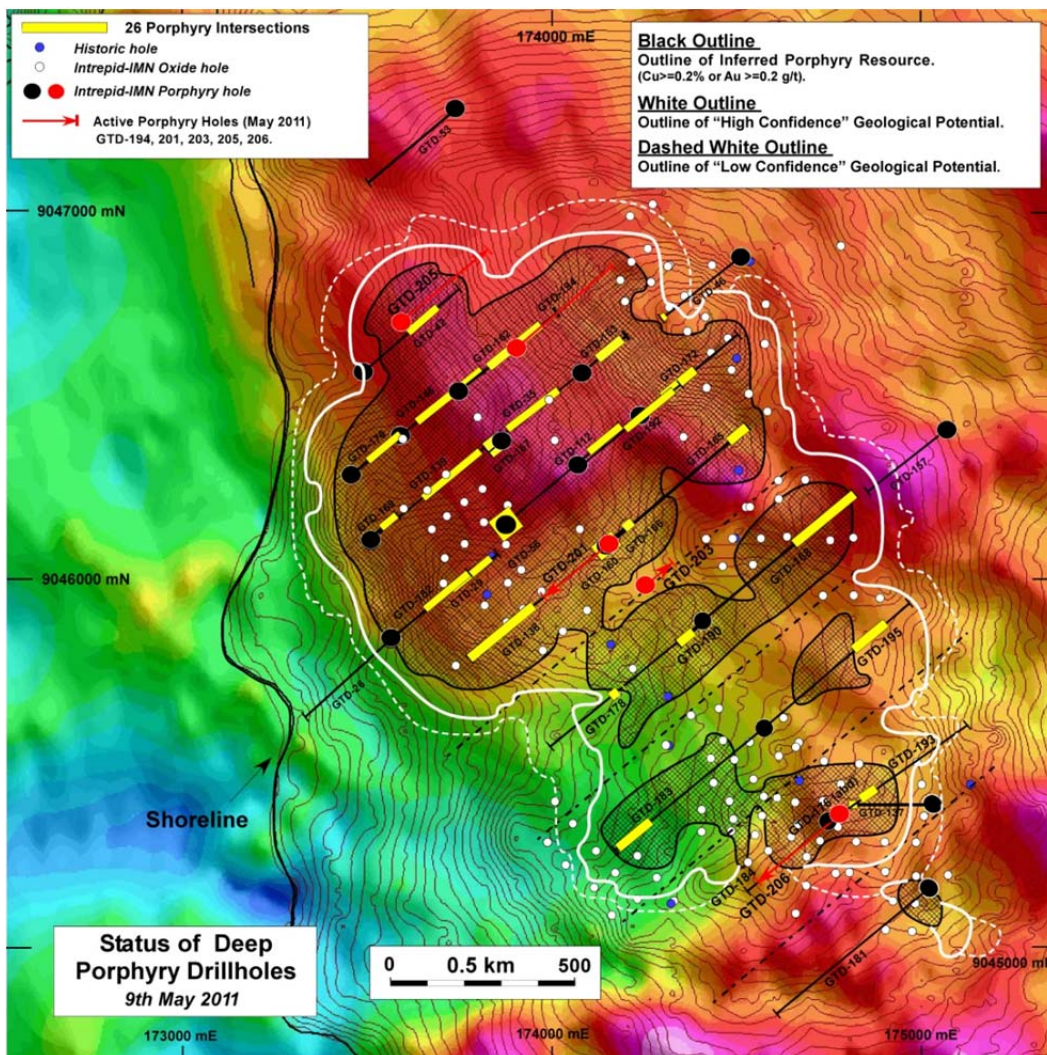
| Au Cut Offs | | Grade | | | | Contained Metal | |
|-----------------------------|------------------------|-----------------|-------------------|-------------------|-------------------|-------------------------------------|--------------------------------------|
| Cut-Off Au (g/t) | Tonnes (Mt) | Cu % | Au g/t | Mo ppm | As ppm | Copper lbs (billion) | Gold Ounces (million) |
| 0.2 | 850 | 0.42 | 0.50 | 106 | 295 | 7.8 | 14 |
| 0.3 | 630 | 0.47 | 0.59 | 125 | 287 | 6.6 | 12 |
| 0.4 | 470 | 0.52 | 0.67 | 137 | 285 | 5.4 | 10 |
| 0.5 | 340 | 0.55 | 0.76 | 141 | 301 | 4.2 | 8 |
| 0.6 | 220 | 0.59 | 0.86 | 152 | 316 | 2.8 | 6 |



Available data indicates the presence of a significant tonnage of material referred to here as “geological potential”. “High confidence” geological potential material (shown schematically on the diagram below), based on cut off grades comparable to those applied for the Inferred resource estimate delivers potential for an additional 800 – 850Mt at grades of 0.3 – 0.4% copper and 0.3 – 0.4g/t gold. This potential is conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain whether further exploration will result in the determination of a Mineral Resource.

In addition to drill holes previously announced, four deep holes have been completed and contributed to this resource estimate. All holes were drilled in areas outside of the previously announced resource estimate (see 29 September 2010 release). Intersections from holes GTD 190, 192, 193, and 195 are tabulated below and shown on the diagram below. These holes have delivered some outstanding results including –

- 628.9m at 0.73g/t Au, 0.5% Cu and 142ppm Mo in hole GTD 190 - the best intercept to date from the deep porphyry drilling
- Hole GTD 190 finished in mineralisation, 0.61g/t Au and 0.32% Cu, at 1048.9m
- Hole GTD 192 delivered some very high Mo assays including 10m at 0.29% Mo.



Drill status plan and surface projection of Inferred Resource, and 2 categories of ‘geological potential’



Table of new drill results – significant intersections

| Hole ID | From | To | Interval | Au (g/t) | Ag (g/t) | Cu (%) | Mo (ppm) | As (ppm) |
|-------------------|------------|----------------|---------------|-------------|-------------|-------------|-------------|-------------|
| GTD-11-190 | 38 | 82 | 44 | 0.36 | 8.7 | - | 4 | 591 |
| EOH 1048.85m | 120 | 166 | 46 | 0.36 | 22.4 | - | - | 700 |
| | 242 | 246 | 4 | 0.23 | 16.5 | 1.19 | - | 372 |
| | 370 | 378 | 8 | 0.4 | 2.3 | - | - | 125 |
| | 420 | 1048.85 | 628.85 | 0.73 | 1.4 | 0.5 | 142 | 334 |
| <i>incl.</i> | 876 | 1048.85 | 172.85 | 1.23 | 1.9 | 0.69 | 231 | 231 |
| GTD-11-192 | 224 | 260 | 36 | 0.13 | 2.3 | 0.21 | 5 | 591 |
| EOH 1031.15m | 284 | 306 | 22 | 0.22 | - | 0.18 | 6 | 182 |
| | 324 | 364 | 40 | 0.32 | 1.9 | 0.32 | - | 838 |
| | 472 | 964 | 492 | 0.49 | 1.1 | 0.41 | 219 | 564 |
| <i>incl.</i> | 760 | 770 | 10 | 0.75 | - | 0.31 | 2908 | 92 |
| <i>incl.</i> | 868 | 892 | 24 | 1.11 | 5.1 | 0.75 | 200 | 2058 |
| <i>incl.</i> | 940 | 958 | 18 | 1.79 | - | 0.59 | 197 | 91 |
| GTD-11-193 | 210 | 244 | 34 | - | - | 0.67 | - | 31 |
| EOH 925.35m | 246 | 270 | 54 | 0.26 | 6.4 | 0.45 | - | 1064 |
| | 272 | 314 | 42 | - | 1.7 | 0.78 | - | 192 |
| | 730 | 810 | 80 | - | - | - | 84 | 4 |
| GTD-11-195 | 648 | 836 | 188 | 0.1 | - | 0.24 | 53 | 788 |
| EOH 1039.6m | 844 | 870 | 26 | 0.12 | - | 0.31 | 48 | 1056 |
| | 938 | 948 | 10 | - | - | 0.26 | 12 | 890 |

Forward-looking statements

This announcement contains certain forward-looking statements, relating to, but not limited to Intrepid's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as 'anticipate', 'believe', 'expect', 'goal', 'plan', 'intend', 'estimate', 'may' and 'will' or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future outcomes, or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects, and timing of commencement of operations and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and other factors. Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from those expressed or implied.

Shareholders and potential investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. Intrepid undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.

Statements relating to gold resource estimates are expressions of judgment, based on knowledge and experience and may require revision based on actual production experience. Such estimates are necessarily imprecise and depend to some extent on statistical inferences and other assumptions, such as gold prices, cut-off grades and operating costs, which may prove to be inaccurate.



Forestry Activities

The Indonesian Forestry Law restricts non forestry activities within protected forests and prohibits mining using an open pit method in protected forest areas. The area of the Porphyry copper-gold resource estimate, and the Zone A, Zone B and Zone C oxide resource estimate areas fall within a protected forest area. Intrepid's Alliance partner, PT IMN, is working with relevant Indonesian authorities regarding a potential review of forest land status. There is no assurance that the forestry reclassification will take place in this instance. PT IMN received an extension of the Forestry Exploration Permit dated 7 July 2010, which allows for exploration activities within forestry areas.

Qualified Person

The information in this announcement that relates to exploration results and choice of cut-off grades for resource reporting at Tuhuh Bukit is based on information compiled by or under the supervision of Malcolm Norris, who is a full-time employee of Intrepid Mines Limited. Mr. Norris 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" and a Qualified Person as defined in the Canadian National Instrument 43-101 (standards of Disclosure for Mineral Projects). Mr. Norris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to mineral resources is based on information compiled by or under the supervision of Dr. Phillip Hellman, who is an independent consultant to Intrepid Mines Limited. Dr Hellman 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 an Independent Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and an Independent Qualified Person as defined in the Canadian National Instrument 43-101 (standards of Disclosure for Mineral Projects). Dr Hellman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Dr Hellman has undertaken independent verification sampling and assaying of drill core from the oxide gold silver mineralisation with a close agreement of results with those previously reported.

Resource Estimation Notes

Geological interpretations of the copper mineralisation provided by Intrepid were used to define a "top-of-porphyry" surface to restrict estimates to geologically reasonable limits. The block model was coded by oxidation zone and estimates were restricted to the sulphide portion of the potential porphyry zone. 6m length-weighted composites from the transitional and sulphide zones were used to estimate, via Ordinary Kriging, Cu, Au, Mo, As and SG into a 40 x 40 x 15 metre block model. Silver values within the primary mineralisation are low (eg < 5g/t).

Inferred Resources are defined on the basis of a 120m x 120m x 80m search ellipsoid using a maximum of 32 6m composites and a minimum of 12. Two more passes of 180m x 180m x 120m and 240m x 240m x 160m were used to generate "potential" blocks within and outside the constraints of the porphyry model. In general, these potential blocks define extra similar tonnages at similar grades to the quoted estimates. These, however, do not constitute "resource estimates" and there is no guarantee that they will be upgraded to resources with further drilling. Drill spacing of the deeper holes is approximately 200m x 200m. However, there are a considerable number of shallower holes that intersected copper mineralisation in transitional and primary mineralisation. Quoted resources exclude transitional mineralisation. 5279 6m composites of Cu and Au from the sulphide zone are available for estimation together with 5175 Mo, 5097 As and 2727 SG values. Composites from the porphyry zone number 4082, 4082, 3993, 4004 and 2241 for Cu, Au, Mo, As & SG, respectively.

Two different software products were used to provide estimates. Previous estimates were checked against results from a different operator. Results closely agree within the meaning of "Inferred". Cross sections of the modelled results were plotted in juxtaposition with assay and geological data to check for geological plausibility. It is noted that there is considerable scope to add to the quoted resource with most sections having significant areas that are yet to be drill tested.

Approximately 45% of the resource reports within a shell based on a preliminary pit optimisation of the September 2010 resource model (significantly smaller than the current estimates). At depths below the conceptual pit, the possibility of bulk underground mining techniques (eg block caving) remains. The resource falling above a conceptual pit shell in way should be understood to represent "Ore Reserves".

Sample Analysis

Intrepid exercises a strict chain of sample custody in its drilling program at Tuhuh Bukit. Joint Venture personnel remove core from the drill rig and deliver it to a project geologist who logs the core and marks the core into two metre sample intervals. Intrepid and Joint Venture personnel supervise the immediate splitting, sawing and bagging of samples, and packaging of groups of samples for dispatch to the laboratory. The remainder of the split core remains on site.

Samples are securely packaged, batched, and then transported under supervision to Intertek's laboratory facility in Jakarta. At the laboratory, the samples are prepared by crushing and pulverizing and a 30 gram charge is assayed for gold by conventional fire assay and/or atomic absorption methods. Multi-element ICP analysis is carried out using a multi-acid digestion process. All samples that contain silver and/or copper, lead, and zinc values that exceed the upper detection limits for ICP are re-analysed by conventional atomic absorption methods to determine the absolute values of these metals.

For further information please contact:

Brad Gordon, Chief Executive Officer, Brisbane, Australia

☎: +61 7 3007 8011 ✉: bgordon@intrepidmines.com 📞: +61 400 036 636

Greg Taylor, Toronto, Canada

☎: +905 337 7673 ✉: gtaylor@intrepidmines.com 📞: +416 605 5120