Intrepid Mines Ltd: Tujuh Bukit-More upside at Tumpangpitu

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- 599 METRES (M) AT 0.52 GRAMS PER TONNE (G/T) GOLD AND 0.70 % COPPER IN HOLE GTD-11-208
- INCLUDING 96 M AT 0.90G/T GOLD AND 1.15% COPPER
- GRADES DELIVERED EXCEED THE RESOURCE GRADE

BRISBANE, AUSTRALIA -- (Marketwire) -- 08/16/11 -- Intrepid Mines Limited (TSX: IAU)(ASX: IAU) ('the Company') reports that assay results from three holes (GTD-11-203, 205, and 208) in the on-going drilling program at the copper-gold zone of the Tumpangpitu area of the Tujuh Bukit Project in Indonesia, have recorded further encouraging gold and copper assays.

Drill holes GTD-11-203 (120 metres at 0.44g/t gold and 0.27% copper plus 252 metres at 0.45g/t gold and 0.27% copper) and GTD-11-208 (599 metres at 0.52g/t gold and 0.70% copper) are from the area of 'geological potential' that is to the SE of the main Tumpangpitu zone (see figure below and Intrepid announcement of 21 June 2011). These holes are expected to add significantly to the resource through the conversion of zones of previously defined geological potential to resources.

The grades in drill hole GTD-11-208 and the previously reported GTD-11-201 (676 metres at 1.0 g/t gold and 0.54% copper) exceed the average resource grade to date. GTD-11-208 delivers a very encouraging result with extensive mineralisation including a significant high grade zone, located in an area that is expected to significantly add to the existing resource.

Drill hole GTD-11-205 is located on the previous NW margin of the main Tumpangpitu porphyry zone and this result (230 metres at 0.47 g/t gold and 0.35% copper) now extends that zone, opening the area to the north. The trend of extending the mineralisation to the north is consistent with magnetic anomalism, which extends north of the main drill grid, and further drilling will be undertaken in this area.

'These three drill holes continue to deliver good results both in areas previously only defined as 'geological potential' and beyond. We are yet to define the boundaries of the porphyry mineralisation here. Our geological understanding is improving and our ongoing drilling will be directed at areas of classified 'geological potential' and new areas of mineralisation,' said Malcolm Norris, Executive General Manager, Exploration and New Business.

'We take still more encouragement from seeing intercepts such as in GTD-11-208 delivering grades over wide intervals significantly greater than our resource grade,' he added.

Results from drill hole GTD-11-203, 205 and 208 comprise:-

High sulphidation mineralisation with varying degrees of relict porphyry mineralisation.

Hole ID	From	To	Inter-val	Au (g/t)	Ag (g/t)	Cu (%)	Mo (ppm)	As (ppm)
GTD-11-208	436	448	12	0.13	-	0.19	97	8
EOH 1082.9m	464	472	8	0.12	-	0.22	79	13
	484	1082.9	598.9	0.52	-	0.70	149	140
	Incl.588	684	96	0.90	-	1.15	230	403
GTD-11-205	34	94	60	0.14	3.5	0.44	-	383
EOH 1092.85m	148	160	12	0.10	3.3	0.56	-	491
	180	218	38	0.10	-	0.48	-	269
	388	618	230	0.47	-	0.35	74	40
	726	942	216	0.18	-	0.31	43	2
	1010	1080	70	0.19	-	0.31	31	4
GTD-11-203	362	372	10	1.03	3.2	1.04	27	296
EOH 1063.7m	450	458	8	0.39	2.9	0.12	5	117
	500	620	120	0.44	-	0.27	53	404
	680	706	26	0.16	-	0.17	30	155
	812	1063.7	251.7	0.45	2.2	0.27	121	124

Drill holes GTD-11-203 and 208 ended in copper and gold mineralisation.

To view the drill status plans showing the location of hole GTD-11-203, 205, 208 (green), and those holes currently in progress (red), please visit the following link: http://media3.marketwire.com/docs/IAUGRAPH.pdf.

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 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 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, a Director of Hellman and Schofield Pty Ltd and a Fellow of The Australian Institute of Geoscientists. 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 a 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 with a close agreement of results with those previously reported. A 40 x 40 x 15 metre block model was used for the quoted estimates. 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 (with a minimum of 10 composites) and 240m x 240m x 160m (minimum of 8 composites) 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.

Sample Analysis

Intrepid exercises a strict chain of sample custody in its drilling program at Tujuh 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.

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