



INTREPID MINES LIMITED

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PAULSENS DRILLING RETURNS 28 METRES @ 11.5 GRAMS PER TONNE GOLD BELOW CURRENT MINE WORKINGS

INTERCEPT PROVIDES STRONG EVIDENCE FOR MINE LIFE EXTENSION

19 May 2009: - Intrepid Mines Limited ("Intrepid") (ASX & TSX:IAU) is pleased to announce that extension drilling at the Company's Paulsens gold mine in Hole PDU 727 has cut 28 metres @ 11.5 grams per tonne gold some 100 metres below the current workings. This intercept, combined with previous drilling conducted nearby, supports Intrepid's management team's belief that it should be able to extend the Western Australian's gold mine's life.

Intrepid's Chief Executive Officer, Brad Gordon, noted: "This is a positive development in the ongoing mine extension exploration program at Paulsens. This result, viewed in the light of surrounding intercepts, increases our confidence in being able to deliver increased mine life from Paulsens. On current projected mine scheduling, this area will contribute ounces to the mine plan in the second quarter of 2010."

Hole PDU 727 was drilled from the 895 drill drive down plunge targeting the interpreted position of the Voyager orebody. It intersected 28 metres @ 8.5 grams per tonne (11.5 grams per tonne uncut) down hole, which converts to three intercepts in the Voyager Upper Zone and Lower Zone as shown in the diagrams below.

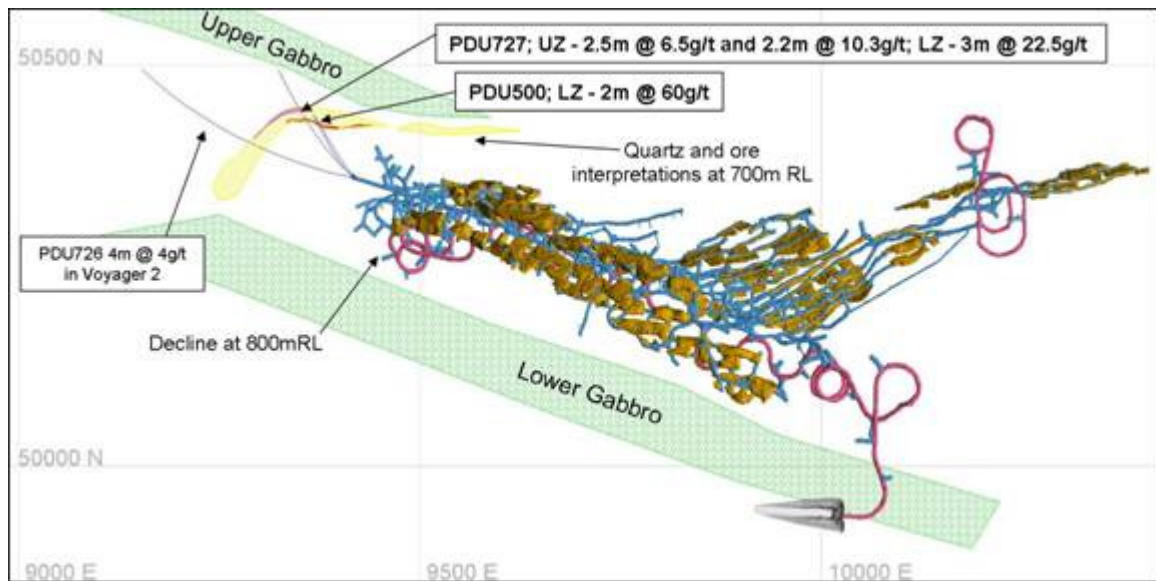
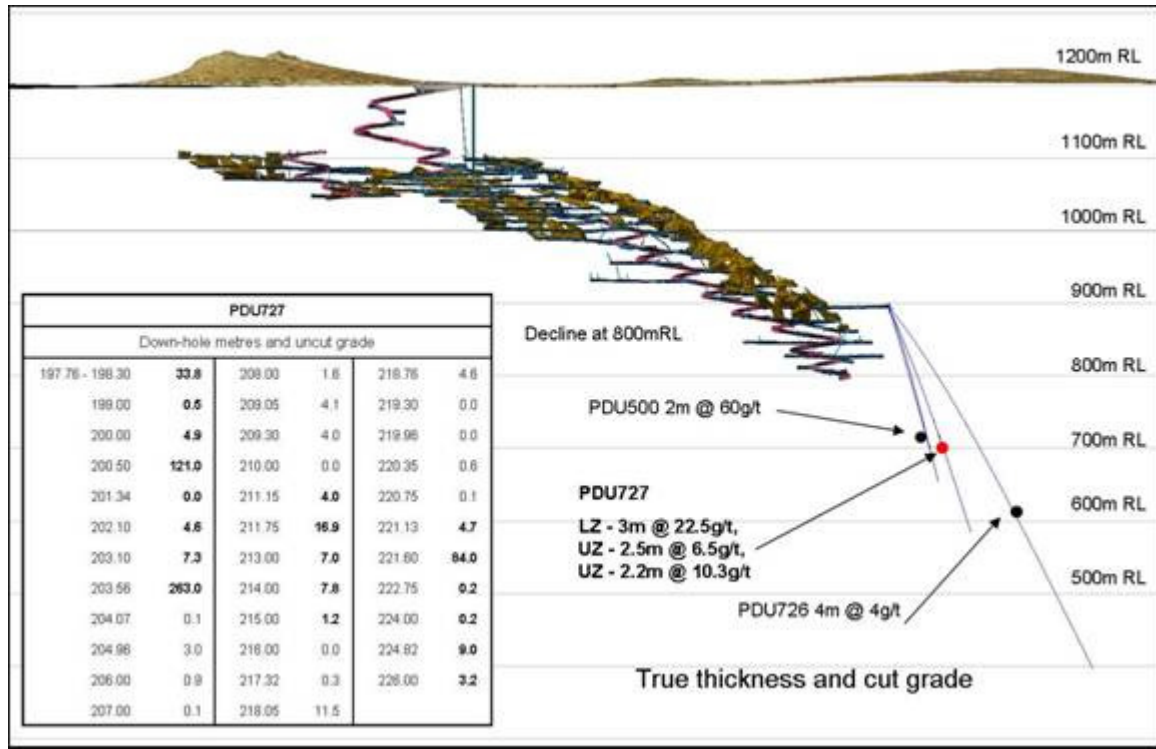
- Upper Zone – 2.5 metres @ 6.5 grams per tonne and 2.2 metres @ 10.3 grams per tonne gold
- Lower Zone – 3 metres @ 22.5 grams per tonne
 - Interpreted true widths and applying a 100 grams per tonne cut
 - Actual intercept assays shown in the table below.

The intercepts are at 700 metre RL, which is 500 metres below surface, 100 metres below the current decline level and 140 metres below current stoping.

These intercepts are supported by previously announced, and nearby, intercepts in holes PDU 499 and 500 which are interpreted to be from the Lower Zone and intersected 2 metres @ 28 grams per tonne and 2 metres @ 60 grams per tonne respectively. The intercept in hole PDU 500 is located approximately 20 metres from the PDU 727 intercept.



Hole PDU 726 has recently returned results of 4 metres @ 4 grams per tonne from the deeper Voyager 2 zone. The area intersected by PDU726 is 100 metres below the recently released resource and is the only hole to have been drilled in this area.



The Paulsens mine extension exploration program has been accelerated over the last 6 months. The program has comprised –

- Additional underground drilling in areas of increasingly complex geology
- A comprehensive structural geology study at the mine, mine extension and near mine scales
- Planning and implementation of deep drilling from underground and surface to test the structural geology scenarios.

Follow up drilling to holes PDU 727 and 726 is in progress.



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 5 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 reserve and 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. Information provided relating to projected costs, capital expenditure, production profiles and timelines are expressions of judgment only and no assurances can be given that actual costs, production profiles or timelines will not differ materially from the estimates contained in this announcement.

QUALITY CONTROL

Sample Analyses - All core is logged and whole core samples (if LTK48 size, NQ2 sized core is cut and half cored) are marked and prepared for shipping at the Paulsens Mine Property and sent to an independent Laboratory for assay. The remaining half core is stored on site. All samples from which information in this press release is derived were received by ALS Chemex – Australian Laboratory Services Pty. Limited in Karratha, Western Australia. Samples are weighed and crushed to 70% passing -6mm mesh. The crushed material is split and a portion is pulverised. A 100g pulp is sent to ALS Perth, Western Australia for assay. A 30 gram portion of the pulp is treated by Fire Assay method with atomic absorption finish (Au-AA25). A second pulp sample split (150-200g) is kept in Karratha. Sample rejects are discarded after 90 days. Over limit samples (>100ppm Au) are re-analysed using ALS' dilution method (Au-DIL). Intrepid inserts one standard in each hole, and one blank is now inserted in each ore zone though this practice has only recently been adopted. Lab standards and blanks are inserted by ALS and several pulp duplicates are also assayed as a determinant of mineralization variability.

QUALIFIED PERSON

The information in this announcement that relates to exploration results is based on information compiled by or under the supervision of Brook Ekers, (Member AIG), who is a full-time employee of Intrepid Mines Limited. Mr. Ekers 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

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Reporting of Exploration Results, Mineral Resources and Ore Reserves" and is a Qualified Person as defined in the Canadian National Instrument 43-101 (standards of Disclosure for Mineral Projects). Mr. Ekers consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

FOR MORE INFORMATION

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