



INTREPID MINES LIMITED

## INTREPID MINES LIMITED RELEASES FINANCIAL RESULTS FOR 2009

**FOR THE THREE AND TWELVE MONTHS TO 31 DECEMBER 2009**

**24 February 2010:** Intrepid Mines Limited (ASX & TSX: IAU) (the “Company”) is pleased to announce the release of the Company’s Audited Financial Results as well as its Management’s Discussion and Analysis for the three and twelve month periods ended 31 December 2009.

The documents are available on the Company’s website ([www.intrepidmines.com](http://www.intrepidmines.com)), will be available shortly with Intrepid’s filings on Sedar ([www.sedar.com](http://www.sedar.com)) and can be reviewed through Marketwire ([www.marketwire.com](http://www.marketwire.com)) or the ASX website ([www.asx.com.au](http://www.asx.com.au)). Numbers in brackets generally describe performance for the period ended 31 December 2009.

**All dollar values are United States Dollars unless otherwise stated.**

## OVERVIEW

### Finance

- Paulsens earnings of \$3.9 million and \$31.0 million before interest, taxes, depreciation and amortisation (EBITDA) for the three and twelve months ended 31 December 2009 respectively.
- Exploration expenditure on the Tujuh Bukit project and Paulsens near mine regional exploration for the three and twelve months ended 31 December 2009 was \$5.5 million and \$14.2 million respectively.
- Administration expenditure, non-cash exchange rate losses, depreciation and amortisation expenditure of \$6.5 million for the three months and \$26.7 million for the twelve months ended 31 December 2009 has led to an accounting group loss after tax of \$8.1 million and \$9.9 million for the three and twelve months ended 31 December 2009 respectively.
- Cash balance at quarter end was \$36.5 million.

### **Paulsens Operations**

- Gold production of 15,810 and 75,089 fine ounces for the three and twelve months ended 31 December 2009 respectively.
- During this period, Paulsens continued to mine from outside existing resource categories.
- Deep drill testing of the Paulsens down plunge extent has identified a high-grade component to the Voyager mineralisation. The latest exploration results (announced 8 December 2009) provide positive indications that the Company is now in a position to resume gold production post the production hiatus earlier than previously expected. The Paulsens Decline development to access this new structure commenced in January 2010 and ore production from development will continue through the period of the mill shutdown.
- A new Paulsens resource statement was announced with 89,700 ounces at 13.7 grams per tonne gold in Indicated and 39,000 ounces at 11.0 grams per tonne gold in Inferred categories.
- The Company expects to produce approximately 8,000 ounces during the March 2010 quarter, with production ceasing part way through the period. While production beyond this date is dependent upon mine planning and ore reserve calculations, post production recommencement is expected to continue through to at least the first quarter of 2011.
- Extensions of Paulsens mine life beyond this date will ultimately be dependent on further success from the ongoing resource and exploration drilling programs and converting the resources to reserves.
- Cash costs were higher for the December 2009 quarter at \$775 per ounce (prior quarter \$607 per ounce) primarily as a result of:
  - Fewer ounces produced (15,810 ounces in December 2009 vs. 19,107 ounces during September 2009 quarter) – negative impact of \$127 per ounce.
  - Recognising Paulsens employee termination entitlements –negative impact of \$31 per ounce.
  - Translating the Australian denominated cash costs into United States dollars at a much stronger exchange rate (December 2009 quarter A\$/US\$0.9102 vs. September 2009 quarter A\$/US\$0.8329) --negative impact of \$56 per ounce;
  - Partially offset by reduction in mining costs.
- Cash costs for the twelve months to 31 December 2009 were \$534 per ounce.

### **Tujuh Bukit**

- As announced on 15 December 2009, the Company was unable to reach agreement with Vale S.A. on several key elements of the formal option documentation in relation to the joint venture of the Tujuh Bukit Sulphide project .
- The inaugural resource at Zone B was announced on 16 December 2009, which included an Inferred Resource of 0.69 million ounces gold equivalent at a cut-off of 0.5 grams per tonne gold equivalent (100%). This resource, together with those previously announced for Zones A and C raised the aggregate oxide Inferred Resource to approximately 3.3 million ounces gold equivalent from 100 million tonnes at 1.0 grams per tonne gold equivalent (100%) at 0.5 grams per tonne gold equivalent cut-off.
- Work continued on the Scoping Study for the oxide resource during the quarter. This study is expected to be completed during the second quarter of 2010.
- Follow-up drilling of the deeper copper-gold porphyry system commenced during the quarter. Previously announced intersections include GTD-35 (627.2 metres at 0.45 grams per tonne gold and 0.44% copper) and GTD-56 (226 metres at 0.72 grams per tonne gold and 0.44% copper). This drilling will contribute to the calculation of an inaugural copper-gold sulphide resource to be announced in the third quarter of 2010.

A new discovery called Katak was made in a production forest area. Katak is a coincident copper-gold-molybdenum soil anomaly covering an area of 650 x 500 metres, with a peak copper value in soils of 0.235% – the highest copper-in-soils response from the project. Drilling of this new discovery has commenced.

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