



CASPOSO: AWARD OF ENGINEERING AND PROCUREMENT SERVICES CONTRACT

6 AUGUST 2008: INTREPID MINES LIMITED (“INTREPID” - ASX: IAU; TSX: IAU, IXN), FOLLOWING ITS DECISION TO PROCEED WITH THE DEVELOPMENT OF THE CASPOSO GOLD-SILVER PROJECT LOCATED IN THE CORDILLERA FRONTAL IN THE SAN JUAN PROVINCE OF ARGENTINA, IS PLEASED TO ANNOUNCE THE AWARD OF THE CONTRACT FOR THE ENGINEERING AND PROCUREMENT SERVICES FOR THE PROJECT TO INGENIERÍA PENTA SUR S.A. ARGENTINA.

The award was made at the conclusion of an international tendering process conducted over several months. The contract will involve the design and procurement of the conventional gold and silver whole leach recovery plant to support an average milling rate of 1,000 tons per day (365,000 t/a) with associated facilities. The design and procurement will primarily be carried out through Penta Sur’s Buenos Aires office with support from its Tucuman office.

Intrepid CEO, Brad Gordon, noted: “The Company looks forward to taking the next steps towards putting Casposo into production, and is particularly pleased to be partnering with a local Argentinian group at this critical stage of development.”

FOR FURTHER INFORMATION, PLEASE CONTACT

Brad Gordon, Chief Executive Officer

Brisbane, Australia

Tel: +61 7 3007 8011 | bgordon@intrepidmines.com.au



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.

2



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.