

INTRAWEST



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NEWS RELEASE

Symbols: IDR (NYSE) ITW (TSX)

FOR IMMEDIATE RELEASE

INTRAWEST CORPORATION COMPLETES SALE OF MAMMOTH MOUNTAIN SKI AREA

ALL DOLLAR AMOUNTS ARE IN U.S. CURRENCY

Vancouver, December 20, 2005 - Intrawest Corporation announced today that an entity controlled by Starwood Capital Group Global, L.L.C. (Starwood Capital) has completed the previously announced purchase of a majority interest in Mammoth Mountain Ski Area (Mammoth Mountain), based on an enterprise value of \$365 million. The transaction has resulted in a pre-tax profit to Intrawest of approximately \$101 million. Pre-tax net proceeds to Intrawest after debt assumed, working capital adjustments, transaction costs and reinvestment in Mammoth Mountain amount to approximately \$171 million. Initial use of the proceeds will be to pay down debt while Intrawest evaluates its options for the best use of the proceeds.

Intrawest has retained a 15 per cent interest in Mammoth Mountain and will continue to provide management expertise and other corporate resources as required. The operations of the resort will remain unchanged with Rusty Gregory continuing as chairman and chief executive officer and maintaining approximately a 12.5 per cent interest.

Also previously announced, Intrawest and Starwood have entered into a preliminary agreement for a joint venture on the development of the majority of Intrawest's separately owned real estate in the Town of Mammoth Lakes. With the closing of the MMSA transaction and with Starwood completing the greater part of its due diligence, Intrawest and Starwood will now turn to finalizing the terms and conditions on the joint venture agreement which is expected to be completed by the end of January 2006.

Mammoth Mountain Ski Area is the leading four-season mountain resort company in California, owning Mammoth Mountain, June Mountain, Tamarack Lodge, Mammoth Mountain Inn and Resort, Mammoth Snowmobile Adventures and Mammoth Mountain Bike Park. The company also operates Sierra Star Golf Club in Mammoth Lakes, California. Mammoth Hospitality Management is a 50/50 joint venture between Mammoth Mountain and Intrawest that currently manages over 380 units in the Village at Mammoth and will manage future units developed by Intrawest at Mammoth.

Intrawest Corporation (IDR:NYSE; ITW:TSX) is a world leader in destination resorts and adventure travel. The company has interests in 10 resorts at North America's most popular mountain destinations, including Whistler Blackcomb, a host venue for the 2010 Winter Olympic and Paralympic Games. Intrawest owns Canadian Mountain Holidays, the largest heli-skiing operation in the world, and an interest in Abercrombie & Kent, the world leader in luxury adventure travel. The Intrawest network also includes Sandestin Golf and Beach Resort in Florida and Club Intrawest – a private resort club with nine locations throughout North America. Intrawest develops real estate at its resorts and at other locations

across North America and in Europe. Intrawest is headquartered in Vancouver, British Columbia. For more information, visit www.intrawest.com.

Starwood Capital Group Global, L.L.C., which is headquartered in Greenwich, Connecticut with offices (or affiliate offices) in San Francisco, Washington, D.C., Atlanta, London, Luxembourg and Tokyo, has been an innovative leader in real estate investments since its inception in 1991. Its investors include some of the largest state and corporate pension funds, endowments and high-net worth families from around the world. Currently, Starwood Capital manages a real estate portfolio valued at over \$10 billion. In the past fifteen years, Starwood Capital has closed or advised on real estate transactions totaling in excess of \$30 billion and has acquired equity interests in hotels, golf and leisure-related properties, residential land, multifamily and condominium units, senior housing, office, retail and industrial space. Starwood Capital and its affiliates have successfully executed an investment strategy that includes building business enterprises around core real estate portfolios, including; the recapitalization, reorganization and expansion in 1995 of a real estate investment trust to become the company that is today known as Starwood Hotels; the acquisition in 2003, in partnership with affiliates of Goldman Sachs & Co., of National Golf Properties/American Golf Corporation, the largest owner/operators of golf courses and related facilities in the U.S.; and contributing assets to create the company which is today known as iStar Financial (NYSE: SFI), one of the leading publicly traded finance companies specializing in commercial real estate mortgage, mezzanine and net lease financing with a current market capitalization in excess of \$4.5 billion. For more information regarding Starwood Capital, see www.starwoodcapital.com.

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Statements contained in this release that are not historical facts are forward-looking statements that involve risks and uncertainties. Intrawest's actual results could differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, Intrawest's ability to implement its business strategies, seasonality, weather conditions, competition, general economic conditions, currency fluctuations and other risks detailed in the company's filings with the Canadian securities regulatory authorities and the U.S. Securities and Exchange Commission.

For additional information, please contact Mr. John Currie, chief financial officer, at (604) 669-9777 or Mr. Tim McNulty, director, investor relations at (604) 623-6620 or at tmcnulty@intrawest.com

If you would like to receive future news releases by email, please contact: investor.relations@intrawest.com