

Regulatory Announcement

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Company	Herencia Resources PLC
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Herencia Resources plc

("Herencia" or the "Company")

Placing

The Company announces that it has completed an institutional placing to raise £900,000 from the issue of 90,000,000 new ordinary shares of 0.1p each ("Ordinary Shares") at a price of 1.0p per share (the "Placing"). Application has been made for the new Ordinary Shares to be admitted to trading on AIM and dealings are expected to commence on 2 November 2006. Following the Placing, the number of Ordinary Shares in issue has increased to 328,066,667.

The funds raised from the Placing will be used during 2007 to:

- Advance the work program and follow-up drilling on the Iquique Project;
- Follow-up on the drilling program due to commence shortly at the Paguanta Project;
- Pursue new project development opportunities; and
- Fund general working capital requirements.

As previously announced, Mineral Securities Limited ("Minsec") is subscribing for 20,000,000 Ordinary Shares under the Placing. Minsec is Herencia's major shareholder and following completion of the Placing will hold 136,666,667 Ordinary Shares, which represents approximately 41.7% of the issued share capital of the Company.

Commenting on the Placing Michael Bohm said "The Company had funds on hand to commence the upcoming drill program at Paguanta, which once completed would achieve the 50% earn-in milestone on that project by year end. With the success of this Placing, Herencia can progress with its planned programs for both the Iquique and Paguanta Projects during 2007, whilst also pursuing new development opportunities in Latin America."

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Further background details on the Company can be found at www.herenciaresources.com

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