

For immediate release

Herencia Resources plc
(“Herencia” or the “Company”)

Paguanta Drilling Update

Highlights

- **Paguanta Project – High Grade Zinc and Silver Results**
 - Drilling completed at Paguanta in December 2006 confirming significant, multi-veined mineralised zone.
 - Eight out of ten holes drilled into the ‘Patricia’ target intersect mineralisation with four of these holes returning higher grade zinc, silver and lead assays.
 - Highest individual grades of 15.75% Zn, 447ppm Ag and 5.58% lead returned (1m samples).
 - Surface rock chip sampling extends zone of anomalous mineralisation to the east by approximately 300m with best results of 504 and 498 g/t Ag.
 - Earn-in milestone for initial 50% of Paguanta Project achieved.

Herencia Resources Plc holds an interest in two highly prospective projects in Northern Chile. Herencia has a right to earn a 70% interest in the Paguanta and Iquique Projects.

Paguanta Project

The Paguanta Project, located on the northern end of the Chilean Porphyry Copper Belt, is approximately 150km east of the port of Iquique and 20 km south of a national highway. Paguanta contains old silver-lead-zinc workings, in particular the Englishman Mine encompassing the Patricia zone, which was developed over 100 years ago.

Previous surface and underground sampling by Herencia had identified a one kilometre long zinc, silver and lead anomaly, which remains open to the east. Mapping had also identified a number of east-west striking faults. Drilling has now shown that the Patricia mineralisation is hosted by at least three sub-parallel, steeply dipping faults - the Camp, Central and Cathedral veins. These faults generally have a core (2-8m true width) of higher grade zinc, silver and lead mineralisation, within a broader hanging wall zone (up to 18m true width). Zones of zinc-only and silver-only mineralisation have also been intersected.

Drilling Program - Results

An eleven hole diamond drill program for 1,174 metres was completed in December 2006. The holes were drilled at nominally 100 metre spacing with ten holes targeting the Patricia zone near surface. The hole locations are set out in Figure 1 below:

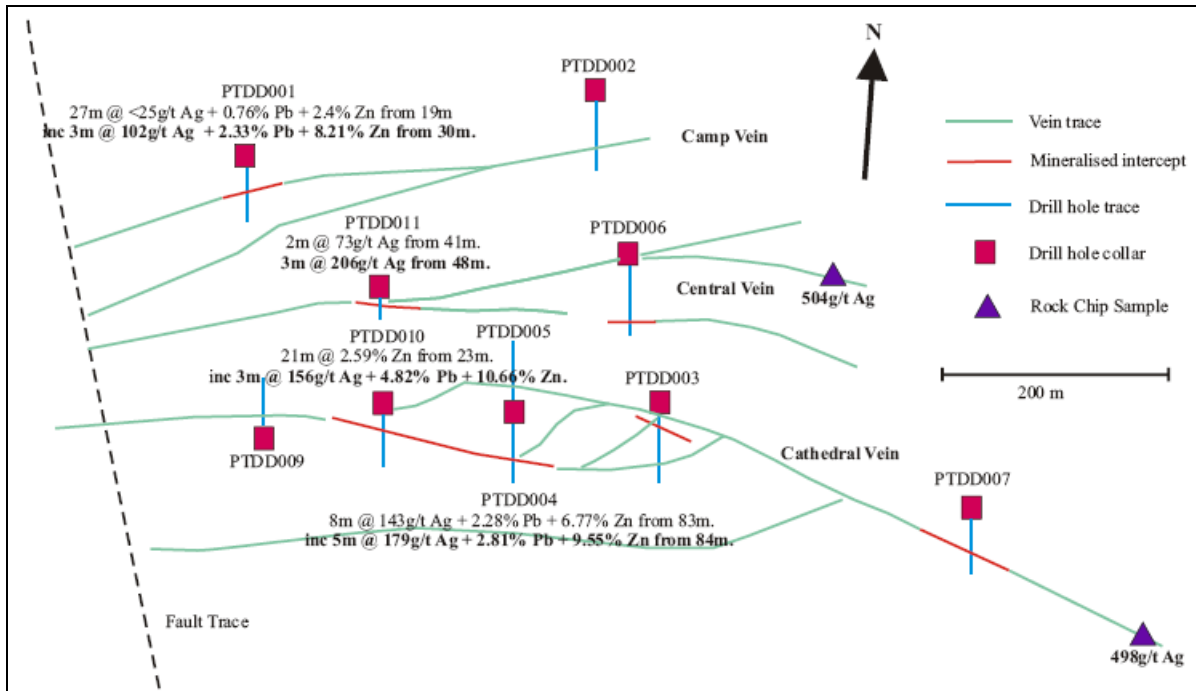


Figure 1 – Paguanta drill hole location plan.

The significant results from the drill program are set out below:

Hole ID	Width	From	Silver (g/t)	Lead %	Zinc %	Comment
PTDD001	27m	19m	<25	0.76	2.40	Camp vein
includes	3m	30m	102	2.33	8.21	10.4% ZnEq
	3m	37m	88	2.96	3.35	
	2m	44m	33	1.02	3.04	
PTDD003	20m	24m	40	0.84	<0.5	Cathedral vein
	10m	71m	<25	<0.5	1.25	
	10m	89m	<25	<0.5	2.09	
PTDD004	8m	83m	143	2.28	6.77	Cathedral vein
includes	5m	84m	179	2.81	9.55	12.9% ZnEq
PTDD006	5m	89m	29	<0.5	0.53	Central vein
PTDD007	5m	84m	<25	<0.5	1.6	Cathedral vein
	4m	95m	33	<0.5	0.61	
PTDD009	20m	27m	<25	<0.5	1.19	Cathedral vein
PTDD010	21m	23m	<25	<0.5	2.59	Cathedral vein
includes	3m	38m	156	4.82	10.66	14.7% ZnEq
PTDD011	2m	41m	73	<0.5	<0.5	Central vein
	3m	48m	206	<0.5	<0.5	High Grade Silver

Notes:

- Zn, Ag and Pb analysed by Atomic Absorption Spectrometry (AAS).
- Cut off is 25ppm Ag, 0.5% Pb and Zn, maximum of 2m internal dilution.
- All intervals are downhole widths. True widths are estimated to be approximately two-thirds of downhole width.
- ZnEq grade assumes Zn price of US\$1.60/lb, Ag price of US\$12.50/oz and Pb price of US\$0.75/lb.

Maximum individual drill core assays (for 1m samples widths) were 15.75% Zn (hole 4), 447ppm Ag (hole 11) and 5.58% lead (hole 10).

In addition to the drill program, rock-chip sampling was also undertaken in selected areas east of the drilling area. The better results from this sampling were:

Sample No.	Ag ppm	Pb %	Zn %
51487	504	0.84	0.02
51489	498	0.15	0.01

Sample 51487 was a sample of a quartz vein located on the eastern extension of the Central vein.

Sample 51489 was a sample of a quartz-sericite vein located on the eastern extension of the Cathedral vein.

The drill results demonstrate that the Patricia zone has multiple mineralised veins and remains open at depth on all veins, to the east along the Cathedral Vein, to the west on the Camp Vein and in both directions along the Central Vein.

Commenting on the results, Executive Director Michael Bohm said “We are very pleased with the results from the first ever drilling program at Paguanta, with eight out of the 10 holes drilled into the Patricia zone intersecting mineralisation including a number of high zinc, silver and lead grades. In addition to the excellent grades and widths achieved, the multiple veins are in close proximity to each other, they all outcrop, and are open to the east and at depth.

Mr. Bohm concluded by stating “The drill results clearly confirm the prospectivity of the Patricia zone specifically and the Paguanta Project overall. We are now reviewing the results and planning the way forward for Paguanta in 2007”.



Drilling at Paguanta - December 2006

The recently completed diamond drill program has also satisfied Herencia's first requirement under the Agreement in respect of the Paguanta Project. Herencia now has until mid-2008 to secure its initial 50% ownership, and earn an additional 20% of the Project, as required under the terms of the Agreement.

Mr. James Sinclair, Exploration Manager (Chile) for Herencia Resources, has reviewed the information contained in this announcement relating to the Paguanta Project. James Sinclair has 12 years experience in the resources sector and is a qualified person within the definition of the AIM guidelines.

Further background details on the Company and its Paguanta and Iquique Projects can be found at www.herenciaresources.com

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