

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

- **Paguanta Project – Joint Venture Documentation Signed**
- **70% ownership confirmed**

Paguanta Project

Herencia is pleased to announce that it has executed a joint venture agreement (“JV Agreement”) with Compania Minera Costa Rica (“CMCR”), Herencia’s exploration partner, confirming Herencia’s 70% ownership of the Paguanta Project in Chile.

As announced on 5 October 2007, the Company has spent US\$2 million on the Paguanta Project which satisfied the criteria under the original agreement executed between CMCR and Herencia in order for Herencia to be entitled to a 70% stake in the project. Pursuant to the terms of the JV Agreement a new company, Compania Minera Paguanta SA (“CMP”), is now being incorporated which will hold the Paguanta Project tenements (currently held by CMCR). Herencia will be a 70% shareholder of CMP with CMCR holding the remaining 30% of the shares. Going forward both parties will contribute toward their respective share of future expenditure.

Commenting on the execution of the JV Agreement, Executive Director Michael Bohm stated “Another significant milestone has been achieved by Herencia. The Company has spent US\$2 million on Paguanta as required, and the documentation to confirm our 70% stake in the Joint Venture Company has now been executed.”

The Company anticipates holding the first meeting of the joint venture partners during November 2007 to approve the next phase of the Paguanta Project development program.

Further background details on the Company and the Paguanta Project can be found at:

www.herenciaresources.com

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