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## **Herencia Resources plc**

("Herencia" or the "Company")

### **Positive Metallurgical and Drilling Results at Paguanta**

Herencia Resources Plc (AIM: HER), the exploration and development company with a primary focus on identifying resource opportunities in South America, is pleased to announce positive metallurgical testwork and drilling results at its 70% owned Paguanta zinc-lead-silver Project in northern Chile.

#### **Highlights**

- **Positive preliminary metallurgical testwork results:**
  - Zinc recovery: +80%
  - Lead recovery: 70%
  - Silver recovery: +85%
- **Drilling extends Camp, Central and Cathedral veins and confirms high grade continuity at Cathedral vein**
- **Scoping Study expected to commence in 3Q 2008**

#### **Metallurgical Testwork**

Metallurgical samples of approximately 300kg from Patricia were conducted at the Ammtec laboratory in Perth, Western Australia.

Results from preliminary testwork have been encouraging. The samples were crushed and ground to 75 micron and batch flotation methods were used. Whilst work continues, some initial highlights to date include:

- Zinc recovery: 81% at 50% concentrate grade, improving to 86% recovery at 51% concentrate grade with a 38 micron regrind.
- Lead recovery: 70% at 42%Pb grade with a 38 micron regrind
- Silver recovery (combined Zn and Pb concentrate): 85.3% recovery:
  - 542g/t in Pb concentrate
  - 77g/t in Zn concentrate

#### **Drilling progress at Paguanta**

With both diamond core and RC drilling rigs now on site, the 10,000m drilling program aiming at expanding and upgrading the existing Patricia resource and testing the La Rosa porphyry-copper target is well underway. The program is fully funded.

Drilling to date at Patricia (approximately 3,600m), has returned positive results with drilling in each of the Camp, Central and Cathedral veins intercepting strong visible mineralisation in four significant intervals:

- PTRC056 has provided a western extension to the Camp Vein with 6m (down-hole intercept) of visible base metal sulphides from 10m.
- PTDD015 has intersected visible base metal sulphides in the Central vein at 217.7 – 222.6m (4.9m down-hole intercept).
- PTDD018 has intersected visible base metal sulphides in the Central vein at 213.5 – 224.5m (11m down-hole intercept).
- PTDD019 has intersected visible base metal sulphides in the Cathedral vein at 159.85 – 165.85m (6m down-hole intercept), within a broader zone of alteration.

Whilst limited assay results have been received to date, and the results from the above holes are awaited, the following high grade assay result has been achieved:

- PTDD017 has intersected the Cathedral vein returning 4.5m @ 8.04% Zn, 1.40% Pb and 74ppm Ag from 61.5m - supporting the high grade continuity of the Cathedral vein.

Drilling is scheduled to continue at Paguanta until August/September 2008, targeting both the current Patricia zinc-lead-silver resource and the La Rosa porphyry-copper target. Further assay results will be announced to the market as they come to hand.

Herencia is aiming to commence a Scoping Study on schedule in 3Q 2008 and have this study completed before year end. The Company plans to be in a position to potentially commence a Bankable Feasibility Study in early 2009.

Executive Director, Michael Bohm commented:

*“We are very pleased with the initial metallurgical results as they have positive implications for ensuring a simple design of any processing circuit at Paguanta. This would keep the capital and operating costs of the project down. It is also encouraging to see all of our main veins continuing to return mineralized drill intercepts, whilst remaining open at depth.”*

*Mr. James Sinclair, Exploration Manager (Chile) for Herencia, has reviewed the information contained in this announcement. Mr. Sinclair has 13 years experience in the resources sector and is a qualified person within the definition of the AIM guidelines.*

## Notes to Editors:

### Paguanta Project

Herencia holds a 70% interest in the Paguanta zinc-lead-silver Project in Northern Chile.

Herencia’s primary focus at Paguanta is the further development of the Patricia resource which contains an JORC Inferred Mineral Resource as outlined below:

| JORC category | Zn Cut-off | Tonnes  | Grade     |             |           |
|---------------|------------|---------|-----------|-------------|-----------|
|               |            |         | Zinc (Zn) | Silver (Ag) | Lead (Pb) |
| Inferred      | 2%         | 2.51 Mt | 4.1%      | 77g/t       | 1.3%      |
| Inferred      | 3%         | 1.45 Mt | 5.3%      | 102g/t      | 1.7%      |

*The mineral resource estimate complies with recommendations in the Australian Code for Reporting of Mineral Resources and Ore Reserves (2004) by the Joint Ore Reserves Committee (JORC) of the AusIMM.*

These results were previously announced by the Company to the market on 5 October 2007.

*Further background details on the Company and the Paguanta Project can be found at [www.herenciaresources.com](http://www.herenciaresources.com)*

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